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99TH CONGRESS
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H. R. 3629

[Report No. 99-176]

IN THE SENATE OF THE UNITED STATES

NOVEMBER 1 (legislative day, OCTOBER 28), 1985

Received; read twice and referred to the Committee on Appropriations

NOVEMBER 6 (legislative day, OCTOBER 28), 1985

Reported by Mr. STEVENS, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the fiscal
5 year ending September 30, 1986, for military functions
6 administered by the Department of Defense, and for other
7 purposes, namely:

1

TITLE I

2

MILITARY PERSONNEL

3

MILITARY PERSONNEL, ARMY

4

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund; ~~\$21,761,422,000~~
\$21,109,765,000.

15

MILITARY PERSONNEL, NAVY

16

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense

1 Military Retirement Fund; ~~\$16,472,073,000~~
2 ~~\$15,838,363,000~~.

3 MILITARY PERSONNEL, MARINE CORPS

4 For pay, allowances, individual clothing, subsistence, in-
5 terest on deposits, gratuities, permanent change of station
6 travel (including all expenses thereof for organizational
7 movements), and expenses of temporary duty travel between
8 permanent duty stations, for members of the Marine Corps on
9 active duty (except members of the Reserve provided for
10 elsewhere); and for payments pursuant to section 156 of
11 Public Law 97-377, as amended (42 U.S.C. 402 note), and
12 to the Department of Defense Military Retirement Fund;
13 ~~\$5,041,377,000~~ \$4,835,456,000.

14 MILITARY PERSONNEL, AIR FORCE

15 For pay, allowances, individual clothing, subsistence, in-
16 terest on deposits, gratuities, permanent change of station
17 travel (including all expenses thereof for organizational
18 movements), and expenses of temporary duty travel between
19 permanent duty stations, for members of the Air Force on
20 active duty (except members of reserve components provided
21 for elsewhere), cadets, and aviation cadets; and for payments
22 pursuant to section 156 of Public Law 97-377, as amended
23 (42 U.S.C. 402 note), and to the Department of Defense
24 Military Retirement Fund; ~~\$18,341,185,000~~
25 ~~\$17,688,587,000~~.

1 RESERVE PERSONNEL, ARMY

2 For pay, allowances, clothing, subsistence, gratuities,
3 travel, and related expenses for personnel of the Army Re-
4 serve on active duty under sections 265, 3019, and 3033 of
5 title 10, United States Code, or while serving on active duty
6 under section 672(d) of title 10, United States Code, in con-
7 nection with performing duty specified in section 678(a) of
8 title 10, United States Code, or while undergoing reserve
9 training, or while performing drills or equivalent duty or
10 other duty, and for members of the Reserve Officers' Train-
11 ing Corps, and expenses authorized by section 2131 of title
12 10, United States Code, as authorized by law; and for pay-
13 ments to the Department of Defense Military Retirement
14 Fund; ~~\$2,159,254,000~~ \$2,203,014,000.

15 RESERVE PERSONNEL, NAVY

16 For pay, allowances, clothing, subsistence, gratuities,
17 travel, and related expenses for personnel of the Naval Re-
18 serve on active duty under section 265 of title 10, United
19 States Code, or while serving on active duty under section
20 672(d) of title 10, United States Code, in connection with
21 performing duty specified in section 678(a) of title 10, United
22 States Code, or while undergoing reserve training, or while
23 performing drills or equivalent duty, and for members of the
24 Reserve Officers' Training Corps, and expenses authorized
25 by section 2131 of title 10, United States Code, as author-

1 ized by law; and for payments to the Department of Defense
2 Military Retirement Fund; ~~\$1,297,123,000~~ \$1,264,334,000.

3 RESERVE PERSONNEL, MARINE CORPS

4 For pay, allowances, clothing, subsistence, gratuities,
5 travel, and related expenses for personnel of the Marine
6 Corps Reserve on active duty under section 265 of title 10,
7 United States Code, or while serving on active duty under
8 section 672(d) of title 10, United States Code, in connection
9 with performing duty specified in section 678(a) of title 10,
10 United States Code, or while undergoing reserve training, or
11 while performing drills or equivalent duty, and for members
12 of the Marine Corps platoon leaders class, and expenses au-
13 thorized by section 2131 of title 10, United States Code, as
14 authorized by law; and for payments to the Department of
15 Defense Military Retirement Fund; ~~\$278,842,000~~
16 \$272,200,000.

17 RESERVE PERSONNEL, AIR FORCE

18 For pay, allowances, clothing, subsistence, gratuities,
19 travel, and related expenses for personnel of the Air Force
20 Reserve on active duty under sections 265, 8019, and 8033
21 of title 10, United States Code, or while serving on active
22 duty under section 672(d) of title 10, United States Code, in
23 connection with performing duty specified in section 678(a) of
24 title 10, United States Code, or while undergoing reserve
25 training, or while performing drills or equivalent duty or

1 other duty, and for members of the Air Reserve Officers'
2 Training Corps, and expenses authorized by section 2131 of
3 title 10, United States Code, as authorized by law; and for
4 payments to the Department of Defense Military Retirement
5 Fund; ~~\$597,153,000~~ \$583,330,000.

6 NATIONAL GUARD PERSONNEL, ARMY

7 For pay, allowances, clothing, subsistence, gratuities,
8 travel, and related expenses for personnel of the Army Na-
9 tional Guard while on duty under section 265, 3033, or 3496
10 of title 10 or section 708 of title 32, United States Code, or
11 while serving on duty under section 672(d) of title 10 or sec-
12 tion 502(f) of title 32, United States Code, in connection with
13 performing duty specified in section 678(a) of title 10, United
14 States Code, or while undergoing training, or while perform-
15 ing drills or equivalent duty or other duty, and expenses
16 authorized by section 2131 of title 10, United States Code,
17 as authorized by law; and for payments to the Department of
18 Defense Military Retirement Fund; ~~\$3,238,217,000~~
19 \$3,062,098,000.

20 NATIONAL GUARD PERSONNEL, AIR FORCE

21 For pay, allowances, clothing, subsistence, gratuities,
22 travel, and related expenses for personnel of the Air National
23 Guard on duty under section 265, 8033, or 8496 of title 10
24 or section 708 of title 32, United States Code, or while serv-
25 ing on duty under section 672(d) of title 10 or section 502(f)

1 of title 32, United States Code, in connection with perform-
 2 ing duty specified in section 678(a) of title 10, United States
 3 Code, or while undergoing training, or while performing drills
 4 or equivalent duty or other duty, and expenses authorized by
 5 section 2131 of title 10, United States Code, as authorized
 6 by law; and for payments to the Department of Defense
 7 Military Retirement Fund; ~~\$953,204,000~~ \$926,516,000.

8 TITLE II

9 OPERATION AND MAINTENANCE

10 OPERATION AND MAINTENANCE, ARMY

11 For expenses, not otherwise provided for, necessary for
 12 the operation and maintenance of the Army, as authorized by
 13 law; and not to exceed \$12,642,000 can be used for emer-
 14 gencies and extraordinary expenses, to be expended on the
 15 approval or authority of the Secretary of the Army, and
 16 payments may be made on his certificate of necessity for
 17 confidential military purposes; ~~\$18,659,638,000~~
 18 \$19,043,039,000, of which not less than \$1,471,600,000
 19 shall be available only for the maintenance of real property
 20 facilities.

21 OPERATION AND MAINTENANCE, NAVY

22 For expenses, not otherwise provided for, necessary for
 23 the operation and maintenance of the Navy and the Marine
 24 Corps, as authorized by law; and not to exceed \$3,079,000
 25 can be used for emergencies and extraordinary expenses, to

1 be expended on the approval or authority of the Secretary of
2 the Navy, and payments may be made on his certificate of
3 necessity for confidential military purposes; ~~\$23,762,002,000~~
4 \$24,528,310,000, of which not less than \$770,000,000 shall
5 be available only for the maintenance of real property facili-
6 ties: *Provided*, That of the total amount of this appropriation
7 made available for the alteration, overhaul, and repair of
8 naval vessels, not more than \$3,650,000,000 shall be avail-
9 able for the performance of such work in Navy shipyards:
10 *Provided further*, That from the amounts of this appropria-
11 tion for the alteration, overhaul and repair of naval vessels,
12 funds shall be available for a test program to acquire the
13 overhaul of ~~two~~ six or more vessels by competition between
14 public and private shipyards. The Secretary of the Navy shall
15 certify, prior to award of a contract under this test, that the
16 successful bid includes comparable estimates of all direct and
17 indirect costs for both public and private shipyards. Competi-
18 tion under such test program shall not be subject to section
19 502 of the Department of Defense Authorization Act, 1981,
20 as amended, or Office of Management and Budget Circu-
21 lar A-76: *Provided further*, That funds herein provided shall
22 be available for payments in support of the LEASAT pro-
23 gram in accordance with the terms of the Aide Memoire,
24 dated January 5, 1981: *Provided further*, That obligations
25 incurred or to be incurred hereafter for termination liability

1 and charter hire in connection with the TAKX and T-5 pro-
2 grams, for which the Navy has already entered into agree-
3 ment for charter and time charters including conversion or
4 construction related to such agreements or charters shall, for
5 the purposes of title 31, United States Code, (1) in regard to
6 and so long as the Government remains liable for termination
7 costs, be considered as obligations in the current Operation
8 and Maintenance, Navy, appropriation account, to be held in
9 reserve in the event such termination liability is incurred, in
10 an amount equal to 10 per centum of the outstanding termi-
11 nation liability, and (2) in regard to charter hire, be consid-
12 ered obligations in the Navy Industrial Fund with an amount
13 equal to the estimated charter hire for the then current fiscal
14 year recorded as an obligation against such fund. Obligations
15 of the Navy under such time charters are general obligations
16 of the United States secured by its full faith and credit.

17 OPERATION AND MAINTENANCE, MARINE CORPS

18 For expenses, not otherwise provided for, necessary for
19 the operation and maintenance of the Marine Corps, as au-
20 thorized by law; ~~\$1,615,128,000~~ \$1,609,000,000, of which
21 not less than \$238,000,000 shall be available only for the
22 maintenance of real property facilities.

23 OPERATION AND MAINTENANCE, AIR FORCE

24 For expenses, not otherwise provided for, necessary for
25 the operation and maintenance of the Air Force, as author-

1 ized by law, including the lease and associated maintenance
2 of replacement aircraft for the CT-39 aircraft to the same
3 extent and manner as authorized for service contracts by sec-
4 tion 2306(g), title 10, United States Code; and not to exceed
5 \$5,556,000 can be used for emergencies and extraordinary
6 expenses, to be expended on the approval or authority of the
7 Secretary of the Air Force, and payments may be made on
8 his certificate of necessity for confidential military purposes;
9 ~~\$19,507,672,000~~ \$19,468,901,000, of which not less than
10 \$1,385,000,000 shall be available only for the maintenance
11 of real property facilities.

12 OPERATION AND MAINTENANCE, DEFENSE AGENCIES

13 For expenses, not otherwise provided for, necessary for
14 the operation and maintenance of activities and agencies of
15 the Department of Defense (other than the military depart-
16 ments), as authorized by law; ~~\$7,340,076,000~~
17 \$7,479,956,000, of which not to exceed \$11,117,000 can be
18 used for emergencies and extraordinary expenses, to be ex-
19 pended on the approval or authority of the Secretary of De-
20 fense, and payments may be made on his certificate of neces-
21 sity for confidential military purposes: *Provided*, That not
22 less than \$91,147,000 shall be available only for the mainte-
23 nance of real property facilities.

1 of facilities and equipment; hire of passenger motor vehicles;
2 travel and transportation; care of the dead; recruiting; pro-
3 curement of services, supplies, and equipment; and communi-
4 cations; ~~\$57,120,000~~ \$57,200,000, of which not less than
5 \$2,850,000 shall be available only for the maintenance of
6 real property facilities.

7 OPERATION AND MAINTENANCE, AIR FORCE RESERVE

8 For expenses, not otherwise provided for, necessary for
9 the operation and maintenance, including training, organiza-
10 tion, and administration, of the Air Force Reserve; repair of
11 facilities and equipment; hire of passenger motor vehicles;
12 travel and transportation; care of the dead; recruiting; pro-
13 curement of services, supplies, and equipment; and com-
14 munications; ~~\$896,844,000~~ \$910,200,000, of which not less
15 than \$22,200,000 shall be available only for the maintenance
16 of real property facilities.

17 OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

18 For expenses of training, organizing, and administering
19 the Army National Guard, including medical and hospital
20 treatment and related expenses in non-Federal hospitals;
21 maintenance, operation, and repairs to structures and facili-
22 ties; hire of passenger motor vehicles; personnel services in
23 the National Guard Bureau; travel expenses (other than mile-
24 age), as authorized by law for Army personnel on active
25 duty, for Army National Guard division, regimental, and bat-

1 talion commanders while inspecting units in compliance with
2 National Guard regulations when specifically authorized by
3 the Chief, National Guard Bureau; supplying and equipping
4 the Army National Guard as authorized by law; and expenses
5 of repair, modification, maintenance, and issue of supplies
6 and equipment (including aircraft); ~~\$1,646,305,000~~
7 *\$1,656,100,000*, of which not less than \$57,300,000 shall be
8 available only for the maintenance of real property facilities.

9 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

10 For operation and maintenance of the Air National
11 Guard, including medical and hospital treatment and related
12 expenses in non-Federal hospitals; maintenance, operation,
13 repair, and other necessary expenses of facilities for the train-
14 ing and administration of the Air National Guard, including
15 repair of facilities, maintenance, operation, and modification
16 of aircraft; transportation of things; hire of passenger motor
17 vehicles; supplies, materials, and equipment, as authorized by
18 law for the Air National Guard; and expenses incident to the
19 maintenance and use of supplies, materials, and equipment,
20 including such as may be furnished from stocks under the
21 control of agencies of the Department of Defense; travel ex-
22 penses (other than mileage) on the same basis as authorized
23 by law for Air National Guard personnel on active Federal
24 duty, for Air National Guard commanders while inspecting
25 units in compliance with National Guard regulations when

1 specifically authorized by the Chief, National Guard Bureau;
2 ~~\$1,803,862,000~~ \$1,806,200,000, of which not less than
3 \$37,000,000 shall be available only for the maintenance of
4 real property facilities.

5 NATIONAL BOARD FOR THE PROMOTION OF RIFLE
6 PRACTICE, ARMY

7 For the necessary expenses, in accordance with law, for
8 construction, equipment, and maintenance of rifle ranges; the
9 instruction of citizens in marksmanship; the promotion of rifle
10 practice; and the travel of rifle teams, military personnel, and
11 individuals attending regional, national, and international
12 competitions; not to exceed ~~\$820,000~~ \$920,000, of which not
13 to exceed \$7,500 shall be available for incidental expenses of
14 the National Board; and from other funds provided in this
15 Act, not to exceed \$680,000 worth of ammunition may be
16 issued under authority of title 10, United States Code, sec-
17 tion 4311: *Provided*, That competitors at national matches
18 under title 10, United States Code, section 4312, may be
19 paid subsistence and travel allowances in excess of the
20 amounts provided under title 10, United States Code, section
21 4313.

22 CLAIMS, DEFENSE

23 For payment, not otherwise provided for, of claims au-
24 thorized by law to be paid by the Department of Defense
25 (except for civil functions), including claims for damages aris-

15

1 ing under training contracts with carriers, and repayment of
 2 amounts determined by the Secretary concerned, or officers
 3 designated by him, to have been erroneously collected from
 4 military and civilian personnel of the Department of Defense,
 5 or from States, territories, or the District of Columbia, or
 6 members of the National Guard units thereof; ~~\$148,300,000~~
 7 *\$143,300,000*.

8 COURT OF MILITARY APPEALS, DEFENSE

9 For salaries and expenses necessary for the United
 10 States Court of Military Appeals; \$3,200,000, and not to
 11 exceed \$1,500 can be used for official representation
 12 purposes.

13 TENTH INTERNATIONAL PAN AMERICAN GAMES

14 For logistical support and personnel services (other than
 15 pay and nontravel related allowances of members of the
 16 Armed Forces of the United States, except for members of
 17 the Reserve components thereof called or ordered to active
 18 duty to provide support for the Tenth International Pan
 19 American Games) provided by any component of the Depart-
 20 ment of Defense to the Tenth International Pan American
 21 Games; \$10,000,000.

22 ENVIRONMENTAL RESTORATION, DEFENSE

23 (TRANSFER OF FUNDS)

24 For the Department of Defense, ~~\$329,100,000~~
 25 *\$429,100,000*, to remain available until transferred: ~~Provid-~~

1 ~~ed, That this \$320,100,000 be derived by transfer from funds~~
2 ~~provided in appropriations contained in titles II, III and IV~~
3 ~~of this Act: *Provided further, That the Secretary of Defense*~~
4 ~~shall, upon determining that such funds are required for envi-~~
5 ~~ronmental restoration and hazardous waste disposal oper-~~
6 ~~ations, reduction and recycling of hazardous wastes, re-~~
7 ~~search, development and demonstration with respect to haz-~~
8 ~~ardous waste reduction, treatment, disposal, and manage-~~
9 ~~ment, or for similar environmental restoration purposes (in-~~
10 ~~cluding programs and operations at sites formerly used by the~~
11 ~~Department of Defense), transfer the funds made available by~~
12 ~~this appropriation to other appropriations made available to~~
13 ~~the Department of Defense as the Secretary may designate,~~
14 ~~to be merged with and to be available for the same purposes~~
15 ~~and for the same time period as the appropriations or funds to~~
16 ~~which transferred: *Provided, That the Secretary of Defense*~~
17 ~~*shall, upon determining that such funds are required for en-*~~
18 ~~*vironmental restoration and hazardous waste disposal oper-*~~
19 ~~*ations, reduction and recycling of hazardous waste, research*~~
20 ~~*and development associated with hazardous wastes and re-*~~
21 ~~*moval of unsafe or unsightly buildings and debris of the De-*~~
22 ~~*partment of Defense, or for similar purposes (including pro-*~~
23 ~~*grams and operations at sites formerly used by the Depart-*~~
24 ~~*ment of Defense), transfer the funds made available by this*~~
25 ~~*appropriation to other appropriations made available to the*~~

1 *Department of Defense as he may designate, to be merged*
2 *with and to be available for the same purposes and for the*
3 *same time period as the appropriations of funds to which*
4 *transferred: Provided further, That upon a determination that*
5 *all or part of the funds transferred pursuant to this provision*
6 *are not necessary for the purposes provided herein, such*
7 *amounts may be transferred back to this appropriation.*

8 TITLE III

9 PROCUREMENT

10 AIRCRAFT PROCUREMENT, ARMY

11 (INCLUDING TRANSFER OF FUNDS)

12 For construction, procurement, production, modification,
13 and modernization of aircraft, equipment, including ordnance,
14 ground handling equipment, spare parts, and accessories
15 therefor; specialized equipment and training devices; expan-
16 sion of public and private plants, including the land necessary
17 therefor, for the foregoing purposes, and such lands and inter-
18 ests therein, may be acquired, and construction prosecuted
19 thereon prior to approval of title; and procurement and instal-
20 lation of equipment, appliances, and machine tools in public
21 and private plants; reserve plant and Government and con-
22 tractor-owned equipment layaway; and other expenses neces-
23 sary for the foregoing purposes; ~~\$3,337,300,000~~
24 *\$3,504,200,000, to remain available for obligation until Sep-*
25 *tember 30, 1988, and in addition, ~~\$217,600,000~~*

1 \$101,800,000 to be derived by transfer from "Aircraft Pro-
 2 curement, Army, 1985/1987"; ~~to remain available for obli-~~
 3 ~~gation until September 30, 1988.~~

4 MISSILE PROCUREMENT, ARMY

5 (INCLUDING TRANSFER OF FUNDS)

6 For construction, procurement, production, modification,
 7 and modernization of missiles, equipment, including ord-
 8 nance, ground handling equipment, spare parts, and accesso-
 9 ries therefor; specialized equipment and training devices; ex-
 10 pansion of public and private plants, including the land neces-
 11 sary therefor, for the foregoing purposes, and such lands and
 12 interests therein, may be acquired, and construction prosecut-
 13 ed thereon prior to approval of title; and procurement and
 14 installation of equipment, appliances, and machine tools in
 15 public and private plants; reserve plant and Government and
 16 contractor-owned equipment layaway; and other expenses
 17 necessary for the foregoing purposes, ~~as follows:~~

18 ~~Chaparral program, \$37,200,000;~~
 19 ~~Other Missile Support, \$5,000,000;~~
 20 ~~Patriot program, \$967,400,000;~~
 21 ~~Stinger program, \$244,100,000;~~
 22 ~~Laser Hellfire program, \$250,700,000;~~
 23 ~~TOW program, \$181,300,000;~~
 24 ~~Pershing II program, \$334,700,000;~~

19

1 MLRS program, ~~\$401,600,000~~, and in addition,
 2 ~~\$46,500,000~~, of which ~~\$36,400,000~~ shall be derived
 3 by transfer from ~~"Missile Procurement, Army, 1985/~~
 4 ~~1987"~~ and ~~\$10,100,000~~ shall be derived by transfer
 5 from ~~"Missile Procurement, Army, 1984/1986"~~;
 6 Modification of missiles, ~~\$222,000,000~~;
 7 Spares and repair parts, ~~\$312,000,000~~;
 8 Support equipment and facilities, ~~\$56,632,000~~;
 9 And in addition, ~~\$78,000,000~~ to be derived by
 10 transfer from ~~"Missile Procurement, Army, 1985/~~
 11 ~~1987"~~;
 12 In all: ~~\$2,939,232,000~~, and in addition, ~~\$124,500,000~~ to be
 13 derived by transfer, to remain available for obligation until
 14 September 30, 1988: *Provided, That within the total amount*
 15 *appropriated, the subdivisions within this appropriation shall*
 16 *be reduced by \$163,400,000; \$3,056,050,000, to remain*
 17 *available for obligation until September 30, 1988, and in*
 18 *addition \$49,700,000, of which \$10,100,000 shall be derived*
 19 *by transfer from "Missile Procurement, Army, 1984/1986"*
 20 *and \$39,600,000 shall be derived by transfer from "Missile*
 21 *Procurement, Army, 1985/1987"*.

1 PROCUREMENT OF WEAPONS AND TRACKED COMBAT
 2 VEHICLES, ARMY
 3 (INCLUDING TRANSFER OF FUNDS)

4 For construction, procurement, production, and modifi-
 5 cation of weapons and tracked combat vehicles, equipment,
 6 including ordnance, spare parts and accessories therefor; spe-
 7 cialized equipment and training devices; expansion of public
 8 and private plants, including the land necessary therefor, for
 9 the foregoing purposes, and such lands and interests therein
 10 may be acquired, and construction prosecuted thereon prior
 11 to approval of title; and procurement and installation of
 12 equipment, appliances, and machine tools in public and
 13 private plants; reserve plant and Government and contractor-
 14 owned equipment layaway; and other expenses necessary for
 15 the foregoing purposes; ~~\$3,749,004,000~~ \$4,629,900,000, to
 16 remain available for obligation until September 30, 1988,
 17 and in addition, ~~\$806,896,000~~ \$240,800,000, of which
 18 ~~\$392,096,000~~ \$202,600,000 shall be derived by transfer
 19 from "Procurement of Weapons and Tracked Combat Vehi-
 20 cles, Army, 1984/1986" and ~~\$414,800,000~~ \$38,200,000
 21 shall be derived by transfer from "Procurement of Weapons
 22 and Tracked Combat Vehicles, Army, 1985/1987";— to
 23 remain available for obligation until September 30, 1988.

1 PROCUREMENT OF AMMUNITION, ARMY

2 (INCLUDING TRANSFER OF FUNDS)

3 For construction, procurement, production, and modifi-
4 cation of ammunition, and accessories therefor; specialized
5 equipment and training devices; expansion of public and pri-
6 vate plants, including ammunition facilities authorized in
7 military construction authorization Acts or authorized by sec-
8 tion 2854, title 10, United States Code, and the land neces-
9 sary therefor, for the foregoing purposes, and such lands and
10 interests therein, may be acquired, and construction prosecut-
11 ed thereon prior to approval of title; and procurement and
12 installation of equipment, appliances, and machine tools in
13 public and private plants; reserve plant and Government and
14 contractor-owned equipment layaway; and other expenses
15 necessary for the foregoing purposes; ~~\$1,858,200,000~~
16 *\$2,588,213,000, to remain available for obligation until Sep-*
17 *tember 30, 1988,* and in addition, ~~\$215,200,000~~
18 *\$209,900,000*, of which \$30,000,000 shall be derived by
19 transfer from "Procurement of Ammunition, Army, 1984/
20 1986" and ~~\$185,200,000~~ *\$179,900,000* shall be derived by
21 transfer from "Procurement of Ammunition, Army, 1985/
22 1987", ~~to remain available for obligation until September~~
23 ~~30, 1988.~~

1 OTHER PROCUREMENT, ARMY
2 (INCLUDING TRANSFER OF FUNDS)

3 For construction, procurement, production, and modifi-
4 cation of vehicles, including tactical, support, and nontracked
5 combat vehicles; the purchase of not to exceed two thousand
6 four hundred and sixty-four passenger motor vehicles for re-
7 placement only; communications and electronic equipment;
8 other support equipment; spare parts, ordnance, and accesso-
9 ries therefor; specialized equipment and training devices; ex-
10 pansion of public and private plants, including the land neces-
11 sary therefor, for the foregoing purposes, and such lands and
12 interests therein, may be acquired, and construction prose-
13 cuted thereon prior to approval of title; and procurement and
14 installation of equipment, appliances, and machine tools in
15 public and private plants; reserve plant and Government and
16 contractor-owned equipment layaway; and other expenses
17 necessary for the foregoing purposes, ~~as follows:~~

18 ~~Tactical and support vehicles, \$969,197,000, and~~
19 ~~in addition, \$7,400,000, of which \$2,000,000 shall be~~
20 ~~derived by transfer from "Other Procurement, Army,~~
21 ~~1984/1986" and \$5,400,000 shall be derived by trans-~~
22 ~~fer from "Other Procurement, Army, 1985/1987";~~

23 Communications and electronics equipment,
24 ~~\$2,731,789,000, and in addition, \$39,600,000 to be~~

1 derived by transfer from "Other Procurement, Army,
2 1985/1987";

3 Other support equipment, \$1,272,100,000, and in
4 addition, \$12,400,000 to be derived by transfer from
5 "Other Procurement, Army, 1985/1987";

6 Non-centrally managed items, \$105,300,000;

7 And in addition, \$238,000,000, of which
8 \$79,000,000 shall be derived by transfer from "Other
9 Procurement, Army, 1984/1986" and \$159,000,000
10 shall be derived by transfer from "Other Procurement,
11 Army, 1985/1987";

12 In all: \$4,809,986,000, and in addition, \$297,400,000 to be
13 derived by transfer, to remain available for obligation until
14 September 30, 1988: *Provided*, That within the total amount
15 appropriated, the subdivisions within this appropriation shall
16 be reduced by \$268,400,000; \$5,172,330,000, to remain
17 available for obligation until September 30, 1988, and in
18 addition \$238,000,000 of which \$81,000,000 shall be de-
19 rived by transfer from "Other Procurement, Army, 1984/
20 1986" and \$157,000,000 shall be derived by transfer from
21 "Other Procurement, Army, 1985/1987".

22 AIRCRAFT PROCUREMENT, NAVY

23 (INCLUDING TRANSFER OF FUNDS)

24 For construction, procurement, production, modification,
25 and modernization of aircraft, equipment including ordnance,

1 spare parts, and accessories therefor; specialized equipment;
 2 expansion of public and private plants, including the land
 3 necessary therefor, and such lands and interests therein, may
 4 be acquired, and construction prosecuted thereon prior to ap-
 5 proval of title; and procurement and installation of equip-
 6 ment, appliances, and machine tools in public and private
 7 plants; reserve plant and Government and contractor-owned
 8 equipment layaway; ~~\$10,446,400,000~~ *\$10,289,651,000 to*
 9 *remain available until September 30, 1988*, and in addition,
 10 ~~\$594,600,000~~ *\$566,382,000*, of which ~~\$40,000,000~~
 11 *\$60,800,000* shall be derived by transfer from "Aircraft Pro-
 12 curement, Navy, 1984/1986" and ~~\$554,600,000~~
 13 *\$505,582,000* shall be derived by transfer from "Aircraft
 14 Procurement, Navy, 1985/1987", ~~to remain available for~~
 15 ~~obligation until September 30, 1988: Provided, That~~
 16 ~~\$322,871,000 shall be available only for the procurement of~~
 17 ~~nine new P-3C anti-submarine warfare aircraft: Provided~~
 18 ~~further, That four P-3C aircraft shall be for the Naval~~
 19 ~~Reserve.~~

WEAPONS PROCUREMENT, NAVY

(INCLUDING TRANSFER OF FUNDS)

22 For construction, procurement, production, modification,
 23 and modernization of missiles, torpedoes, other weapons, and
 24 related support equipment including spare parts, and accesso-
 25 ries therefor; expansion of public and private plants, including

25

1 the land necessary therefor, and such lands and interest
 2 therein, may be acquired, and construction prosecuted there-
 3 on prior to approval of title; and procurement and installation
 4 of equipment, appliances, and machine tools in public and
 5 private plants; reserve plant and Government and contractor-
 6 owned equipment layaway, as follows:

7 Poseidon, \$5,001,000;
 8 TRIDENT I, \$36,226,000;
 9 TRIDENT II, \$581,986,000;
 10 Support equipment and facilities, \$17,107,000;
 11 Tomahawk, \$724,804,000;
 12 AIM/RIM-7 F/M Sparrow, ~~\$345,379,000~~
 13 ~~\$359,200,000~~;
 14 AIM-9L/M Sidewinder, \$125,800,000;
 15 AIM-54A/C Phoenix, ~~\$250,700,000~~
 16 ~~\$343,600,000~~;
 17 AIM-54A/C Phoenix advance procurement,
 18 \$24,800,000;
 19 AGM-84A Harpoon, \$314,873,000;
 20 AGM-88A HARM, ~~\$236,000,000~~ \$242,214,000;
 21 SM-1 MR, ~~\$17,738,000~~ \$20,300,000;
 22 SM-2 MR, \$509,719,000;
 23 SM-2 ER, ~~\$312,235,000~~ \$303,200,000;
 24 ~~RAM~~, \$15,000,000;
 25 Sidearm, ~~\$20,500,000~~ \$30,500,000;

26

1 Hellfire, ~~\$55,068,000~~ \$51,768,000;
 2 Laser Maverick, \$173,458,000;
 3 IIR Maverick, \$27,809,000;
 4 Aerial targets, \$105,600,000;
 5 Drones and decoys, \$29,400,000;
 6 Other missile support, \$12,309,000;
 7 Modification of missiles, ~~\$64,933,000~~
 8 \$74,587,000;
 9 Support equipment and facilities, ~~\$80,210,000~~
 10 \$86,210,000;
 11 Ordnance support equipment, \$16,289,000;
 12 MK-48 ADCAP torpedo program, \$417,437,000;
 13 MK-46 torpedo program, \$125,115,000;
 14 ~~MK-60 CAPTOR mine program, \$59,600,000;~~
 15 MK-30 mobile target program, ~~\$16,600,000~~
 16 \$18,600,000;
 17 MK-38 mini-mobile target program, \$3,499,000;
 18 Antisubmarine rocket (ASROC) program,
 19 \$15,551,000;
 20 Modification of torpedoes, ~~\$111,341,000, and in~~
 21 ~~addition, \$22,600,000 to be derived by transfer from~~
 22 ~~"Weapons Procurement, Navy, 1985/1987"~~
 23 \$115,055,000;
 24 Torpedo support equipment program,
 25 \$70,575,000;

27

1 MK-15 close-in weapons system program,
 2 \$150,146,000;
 3 MK-75 gun mount program, ~~\$15,005,000~~
 4 \$17,905,000;
 5 MK-19 machine gun program, \$1,196,000;
 6 25mm gun mount, \$5,501,000;
 7 Small arms and weapons, \$11,305,000;
 8 Modification of guns and gun mounts,
 9 \$58,117,000;
 10 Guns and gun mounts support equipment pro-
 11 gram, \$1,200,000;
 12 Spares and repair parts, \$166,601,000;
 13 ~~And in addition, \$87,000,000 to be derived by~~
 14 ~~transfer from "Weapons Procurement, Navy, 1985/~~
 15 ~~1987";~~
 16 In all: ~~\$5,092,722,000~~ \$5,372,563,000, to remain available
 17 for obligation until September 30, 1988, and in addition,
 18 ~~\$109,600,000~~ \$15,000,000 to be derived by transfer, ~~to~~
 19 ~~remain available for obligation until September 30, 1988~~
 20 from "Weapons procurement, Navy, 1985/1987": Provided,
 21 That within the total amount appropriated, the subdivisions
 22 within this appropriation shall be reduced by ~~\$238,000,000~~
 23 \$22,000,000.

1 SHIPBUILDING AND CONVERSION, NAVY
2 (INCLUDING TRANSFER OF FUNDS)

3 For expenses necessary for the construction, acquisition,
4 or conversion of vessels as authorized by law, including
5 armor and armament thereof, plant equipment, appliances,
6 and machine tools and installation thereof in public and pri-
7 vate plants; reserve plant and Government and contractor-
8 owned equipment layaway; procurement of critical, long
9 leadtime components and designs for vessels to be construct-
10 ed or converted in the future; and expansion of public and
11 private plants, including land necessary therefor, and such
12 lands and interests therein, may be acquired, and construc-
13 tion prosecuted thereon prior to approval of title, as follows:

14 TRIDENT ballistic missile submarine program,
15 ~~\$1,064,900,000, and in addition, \$373,900,000 to be~~
16 ~~derived by transfer from the TRIDENT ballistic mis-~~
17 ~~sile submarine program of "Shipbuilding and Conver-~~
18 ~~sion, Navy, 1983/1987", "Shipbuilding and Con-~~
19 ~~version, Navy, 1984/1988", and "Shipbuilding and~~
20 ~~Conversion, Navy, 1985/1989" \$1,354,700,000;~~

21 SSN-688 attack submarine program,
22 ~~\$2,539,200,000 and in addition, \$159,200,000 to be~~
23 ~~derived by transfer from the SSN-688 submarine pro-~~
24 ~~gram of "Shipbuilding and Conversion, Navy, 1982/~~
25 ~~1986", "Shipbuilding and Conversion, Navy, 1983/~~

1 ~~1987", and "Shipbuilding and Conversion, Navy,~~
 2 ~~1984/1988" \$2,609,600,000;~~

3 Battleship reactivation program, ~~\$469,000,000~~
 4 ~~\$53,500,000~~, to be derived by transfer from the CVN
 5 nuclear aircraft carrier program ~~and the Craft and~~
 6 ~~prior year programs of "Shipbuilding and Conversion,~~
 7 ~~Navy, 1982/1986" and "Shipbuilding and Conversion,~~
 8 ~~Navy, 1983/1987" of "Shipbuilding and Conversion,~~
 9 ~~Navy, 1983/1987";~~

10 Aircraft carrier service life extension program,
 11 ~~\$133,400,000~~ ~~\$52,000,000;~~

12 CG-47 cruiser program, ~~\$2,072,800,000~~, and in
 13 ~~addition, \$585,200,000 to be derived by transfer from~~
 14 ~~the CG-47 cruiser program of "Shipbuilding and~~
 15 ~~Conversion, Navy, 1982/1986", "Shipbuilding and~~
 16 ~~Conversion, Navy, 1983/1987", "Shipbuilding and~~
 17 ~~Conversion, Navy, 1984/1988", and "Shipbuilding~~
 18 ~~and Conversion, Navy, 1985/1989" \$2,652,500,000;~~

19 DDG-51 destroyer program, ~~\$124,000,000 to be~~
 20 ~~derived by transfer from the DDG-51 destroyer pro-~~
 21 ~~gram of "Shipbuilding and Conversion, Navy, 1985/~~
 22 ~~1989": *Provided*, That none of the funds for the CG-~~
 23 ~~47 cruiser program and the DDG-51 destroyer pro-~~
 24 ~~gram are to be obligated or expended until the contract~~
 25 ~~awards for the SPY-1 radar, AEGIS combat system~~

1 ~~integration, solid state frequency converters, propellers,~~
2 ~~and vertical package/stores conveyors are awarded on~~
3 ~~a competitive basis \$14,700,000: Provided, That funds~~
4 ~~appropriated by this Act shall be available to continue~~
5 ~~development of second sources for AEGIS weapon~~
6 ~~system components as directed in Public Law 98-473:~~
7 ~~Provided further, That the Navy shall develop a clear~~
8 ~~definition of specifications and responsibilities for all~~
9 ~~second source producers of components and systems in-~~
10 ~~tegration, shall select any second source on the basis of~~
11 ~~open competition, and shall complete an analysis of the~~
12 ~~impact on costs, expected savings and program risks of~~
13 ~~each element of the AEGIS system selected for such~~
14 ~~development;~~

15 LSD-41 landing ship dock program,
16 ~~\$384,500,000, and in addition, \$18,900,000 to be~~
17 ~~derived by transfer from the LSD-41 landing ship dock~~
18 ~~program of "Shipbuilding and Conversion, Navy,~~
19 ~~1984/1988" and "Shipbuilding and Conversion, Navy,~~
20 ~~1985/1989" \$404,600,000, to be derived by transfer~~
21 ~~from the subdivisions of "Shipbuilding and Conver-~~
22 ~~sion, Navy, 1982/1986" and "Shipbuilding and Con-~~
23 ~~version, Navy, 1983/1987";~~

24 LHD-1 amphibious assault ship program,
25 ~~\$1,275,700,000, and in addition, \$37,900,000 to be~~

1 ~~derived by transfer from the LHD-1 amphibious as-~~
 2 ~~sault ship program of "Shipbuilding and Conversion,~~
 3 ~~Navy, 1984/1988" \$1,314,200,000;~~

4 MCM mine countermeasures ship program,
 5 ~~\$15,000,000~~ \$197,200,000, and in addition
 6 \$80,600,000 to be derived by transfer from the MCM
 7 mine countermeasures ship program of "Shipbuilding
 8 and Conversion, Navy, 1985/1989";

9 MSH coastal mine hunter program,
 10 \$184,500,000;

11 T-AO fleet oiler program, ~~\$197,900,000, and in~~
 12 ~~addition, \$80,600,000 to be derived by transfer from~~
 13 ~~the T-AO fleet oiler program of "Shipbuilding and~~
 14 ~~Conversion, Navy, 1982/1986", "Shipbuilding and~~
 15 ~~Conversion, Navy, 1983/1987", "Shipbuilding and~~
 16 ~~Conversion, Navy, 1984/1988", and "Shipbuilding~~
 17 ~~and Conversion, Navy, 1985/1989" \$263,300,000;~~

18 T-AGOS ocean surveillance ship program,
 19 ~~\$60,900,000, and in addition, \$28,700,000 to be de-~~
 20 ~~rived by transfer from the T-AGOS ocean surveillance~~
 21 ~~ship program of "Shipbuilding and Conversion, Navy,~~
 22 ~~1985/1989" \$115,100,000;~~

23 T-AG acoustic research program, \$40,000,000 ~~to~~
 24 ~~be derived by transfer from the T-AGS ocean survey~~

1 ship program of "Shipbuilding and Conversion, Navy,
2 1985/1989";

3 MTSD ARTB nuclear reactor training ship con-
4 version program, ~~\$26,500,000~~ \$190,000,000;

5 T-ACS auxiliary crane ship conversion program,
6 \$74,000,000, and in addition, \$8,500,000 to be de-
7 rived by transfer from the T-ACS auxiliary crane ship
8 conversion program of "Shipbuilding and Conversion,
9 Navy, 1985/1989";

10 T-AVB logistic support ship program,
11 \$26,900,000;

12 LCAC landing craft program, \$307,000,000, *to*
13 *be derived by transfer from the subdivisions of "Ship-*
14 *building and Conversion, Navy, 1985/1989";*

15 Strategic sealift program, ~~\$173,100,000~~, and in
16 addition, ~~\$55,300,000~~ to be derived by transfer from
17 the Outfitting program of "Shipbuilding and Conver-
18 sion, Navy, 1982/1986" and "Shipbuilding and Con-
19 version, Navy, 1983/1987", the FFG-7 program of
20 "Shipbuilding and Conversion, Navy, 1982/1986", the
21 T-AKR program of "Shipbuilding and Conversion,
22 Navy, 1984/1988", and the T-AH program of "Ship-
23 building and Conversion, Navy, 1983/1987" and
24 "Shipbuilding and Conversion, Navy, 1984/1988"
25 \$203,400,000, *to be derived by transfer from the sub-*

1 *divisions of "Shipbuilding and Conversion, Navy,*
 2 *1982/1986";*

3 ~~Service craft program, \$41,800,000, and in addi-~~
 4 ~~tion, \$37,700,000 to be derived by transfer from the~~
 5 ~~Service craft program of "Shipbuilding and Conver-~~
 6 ~~sion, Navy, 1984/1988";~~

7 ~~Landing craft program, \$11,000,000 to be derived~~
 8 ~~by transfer from the Service craft program of "Ship-~~
 9 ~~building and Conversion, Navy, 1984/1988";~~

10 ~~Outfitting program, \$228,500,000;~~

11 ~~Post delivery program, \$84,000,000, and in~~
 12 ~~addition, \$28,600,000 to be derived by transfer, from~~
 13 ~~the Post delivery program of "Shipbuilding and~~
 14 ~~Conversion, Navy, 1982/1986", "Shipbuilding and~~
 15 ~~Conversion, Navy, 1983/1987", "Shipbuilding and~~
 16 ~~Conversion, Navy, 1984/1988", and "Shipbuilding~~
 17 ~~and Conversion, Navy, 1985/1989" For craft, outfit-~~
 18 ~~ting, post delivery, and cost growth, \$510,200,000;~~

19 ~~In all: \$8,648,900,000 \$9,598,900,000, to remain available~~
 20 ~~for obligation until September 30, 1990, and in addition,~~
 21 ~~\$2,058,500,000 \$1,057,600,000 to be derived by transfer,—~~
 22 ~~to remain available for obligation until September 30, 1990:~~
 23 ~~Provided, That within the total amount appropriated, the~~
 24 ~~subdivisions within this appropriation shall be reduced by~~
 25 ~~\$241,700,000: Provided further, That additional obligations~~

1 may be incurred after September 30, 1990, for engineering
2 services, tests, evaluations, and other such budgeted work
3 that must be performed in the final stage of ship construction;
4 and each Shipbuilding and Conversion, Navy, appropriation
5 that is currently available for such obligations may also here-
6 after be so obligated after the date of its expiration: *Provided*
7 *further*, That none of the funds herein provided for the con-
8 struction or conversion of any naval vessel to be constructed
9 in shipyards in the United States shall be expended in foreign
10 shipyards for the construction of major components of the
11 hull or superstructure of such vessel: *Provided further*, That
12 none of the funds herein provided shall be used for the con-
13 struction of any naval vessel in foreign shipyards: *Provided*
14 *further*, That of the funds appropriated in fiscal year 1983
15 for the FFG-7 guided missile frigate program, \$40,000,000
16 previously available only for an X-band phased array radar
17 shall be available for the fiscal year 1984 guided missile frig-
18 ate program (FFG-61). The FFG-61 shall be equipped
19 with the MK-92 fire control system, Phase II update.

20 OTHER PROCUREMENT, NAVY

21 (INCLUDING TRANSFER OF FUNDS)

22 For procurement, production, and modernization of sup-
23 port equipment and materials not otherwise provided for,
24 Navy ordnance and ammunition (except ordnance for new
25 aircraft, new ships, and ships authorized for conversion); the

1 purchase of not to exceed nine hundred and twenty-four pas-
2 senger motor vehicles of which eight hundred and twenty-five
3 shall be for replacement only; expansion of public and private
4 plants, including the land necessary therefor, and such lands
5 and interests therein, may be acquired, and construction pros-
6 ecuted thereon prior to approval of title; and procurement
7 and installation of equipment, appliances, and machine tools
8 in public and private plants; reserve plant and Government
9 and contractor-owned equipment layaway, as follows:

10 Ship support equipment, ~~\$910,840,000~~, and in
11 addition, ~~\$13,966,000~~ to be derived by transfer from
12 “Other Procurement, Navy, 1985/1987”;

13 Communications and electronics equipment,
14 ~~\$2,057,202,000~~, and in addition, ~~\$37,001,000~~, of
15 which ~~\$4,470,000~~ shall be derived by transfer from
16 “Other Procurement, Navy, 1984/1986” and
17 ~~\$32,621,000~~ shall be derived by transfer from “Other
18 Procurement, Navy, 1985/1987”;

19 Aviation support equipment, ~~\$1,040,711,000~~;

20 Ordnance support equipment, ~~\$1,337,722,000~~;
21 and in addition, ~~\$37,368,000~~, of which ~~\$1,320,000~~
22 shall be derived by transfer from “Other Procurement,
23 Navy, 1984/1986” and ~~\$36,048,000~~ shall be derived
24 by transfer from “Other Procurement, Navy, 1985/
25 1987”;

36

1 Civil engineering support equipment,
2 ~~\$221,558,000;~~

3 Supply support equipment, ~~\$58,917,000;~~

4 Personnel and command support equipment,
5 ~~\$375,943,000;~~

6 Spares and repair parts, ~~\$270,838,000;~~

7 Non-centrally managed items, ~~\$125,300,000;~~

8 And in addition, ~~\$224,337,000,~~ of which
9 ~~\$70,000,000~~ shall be derived by transfer from "Other
10 Procurement, Navy, 1984/1986" and ~~\$154,337,000~~
11 shall be derived by transfer from "Other Procurement,
12 Navy, 1985/1987";

13 In all: ~~\$5,682,694,000,~~ and in addition, ~~\$312,762,000~~ to be
14 derived by transfer, to remain available for obligation until
15 September 30, 1988: *Provided, That within the total amount*
16 *appropriated, the subdivisions within this appropriation shall*
17 *be reduced by \$725,337,000 and other expenses necessary*
18 *for the foregoing purposes; \$6,463,560,000, to remain avail-*
19 *able for obligation until September 30, 1988, and in addition*
20 *\$221,000,000, of which \$70,000,000 shall be derived by*
21 *transfer from "Other Procurement, Navy, 1984/1986" and*
22 *\$151,000,000 shall be derived by transfer from "Other Pro-*
23 *curement, Navy, 1985/1987".*

1 *COASTAL DEFENSE AUGMENTATION*

2 *For the augmentation of United States Coast Guard*
3 *inventories to meet national security requirements,*
4 *\$375,000,000, to remain available until expended: Provided,*
5 *That these funds shall be for the procurement by the Depart-*
6 *ment of Defense of vessels, aircraft, and equipment and for*
7 *modernization of existing Coast Guard assets, to be made*
8 *available to the Coast Guard for operation and maintenance.*

9 **PROCUREMENT, MARINE CORPS**10 **(INCLUDING TRANSFER OF FUNDS)**

11 For expenses necessary for the procurement, manufac-
12 ture, and modification of missiles, armament, ammunition,
13 military equipment, spare parts, and accessories therefor;
14 plant equipment, appliances, and machine tools, and installa-
15 tion thereof in public and private plants; reserve plant and
16 Government and contractor-owned equipment layaway; vehi-
17 cles for the Marine Corps, including purchase of not to
18 exceed two hundred and three passenger motor vehicles for
19 replacement only; and expansion of public and private plants,
20 including land necessary therefor, and such lands, and inter-
21 ests therein, may be acquired and construction prosecuted
22 thereon prior to approval of title; ~~\$1,610,749,000~~
23 *\$1,689,982,000, to remain available for obligation until Sep-*
24 *tember 30, 1988, and in addition, ~~\$85,717,000~~ \$31,056,000*
25 to be derived by transfer from "Procurement, Marine Corps,

1 1985/1987", ~~to remain available for obligation until Sep-~~
 2 ~~tember 30, 1988.~~

3 AIRCRAFT PROCUREMENT, AIR FORCE

4 (INCLUDING TRANSFER OF FUNDS)

5 For construction, procurement, and modification of air-
 6 craft and equipment, including armor and armament, special-
 7 ized ground handling equipment, and training devices, spare
 8 parts, and accessories therefor; specialized equipment; expan-
 9 sion of public and private plants, Government-owned equip-
 10 ment and installation thereof in such plants, erection of struc-
 11 tures, and acquisition of land, for the foregoing purposes, and
 12 such lands and interests therein, may be acquired, and con-
 13 struction prosecuted thereon prior to approval of title; re-
 14 serve plant and Government and contractor-owned equip-
 15 ment layaway; and other expenses necessary for the forego-
 16 ing purposes including rents and transportation of things;
 17 ~~\$20,722,700,000~~ \$24,142,651,000, to remain available for
 18 obligation until September 30, 1988, of which \$200,000,000
 19 shall be available only to initiate the air defense aircraft com-
 20 petition as authorized by law, and in addition,
 21 ~~\$1,458,300,000~~ \$648,000,000, of which ~~\$367,000,000~~
 22 \$71,400,000 shall be derived by transfer from "Aircraft Pro-
 23 curement, Air Force, 1984/1986" and ~~\$1,091,300,000~~
 24 \$576,600,000 shall be derived by transfer from "Aircraft
 25 Procurement, Air Force, 1985/1987", ~~to remain available~~

1 ~~for obligation until September 30, 1988: Provided, That of~~
2 ~~the amounts transferred not to exceed \$280,000,000 shall be~~
3 ~~available for competitive procurement of Air Force One mis-~~
4 ~~sion replacement aircraft: Provided further, That none of the~~
5 ~~funds in this Act may be obligated on B-1B bomber produc-~~
6 ~~tion contracts if such contracts would cause the production~~
7 ~~portion of the Air Force's \$20,500,000,000 estimate for the~~
8 ~~B-1B bomber baseline costs expressed in fiscal year 1981~~
9 ~~constant dollars to be exceeded: Provided further, That the~~
10 ~~Secretary of the Air Force shall establish during fiscal year~~
11 ~~1986 a competition for the procurement of fighter aircraft to~~
12 ~~meet the requirements of the Active and Reserve forces of~~
13 ~~the Air Force; such competition shall be among all suitable~~
14 ~~aircraft; and procurement of tactical fighter aircraft for the~~
15 ~~Air Force for fiscal year 1986 shall be carried out in accord-~~
16 ~~ance with all applicable provisions of law, including section~~
17 ~~136a (relating to the Director of Operational Test and Eval-~~
18 ~~uation); section 139e (relating to independent cost estimates);~~
19 ~~and chapter 137 (relating to competition in contracting); of~~
20 ~~title 10, United States Code: Provided further, That~~
21 ~~\$20,000,000 appropriated in fiscal year 1984 for procure-~~
22 ~~ment of C-130H aircraft shall be available only to buy one~~
23 ~~additional C-130H aircraft for the Air Force Reserve: Pro-~~
24 ~~vided further, That \$20,000,000 appropriated in fiscal year~~
25 ~~1985 for procurement of C-130H aircraft shall be available~~

1 ~~only to buy one additional C-130H aircraft for the Air Force~~
 2 ~~Reserve:~~ *Provided further, That none of the funds appropri-*
 3 *ated by this Act may be used to execute a multiyear contract*
 4 *for F-16 aircraft until aircraft have been competitively se-*
 5 *lected for the air defense mission.*

6 MISSILE PROCUREMENT, AIR FORCE

7 (INCLUDING TRANSFER OF FUNDS)

8 For construction, procurement, and modification of mis-
 9 siles, spacecraft, rockets, and related equipment, including
 10 spare parts and accessories therefor, ground handling equip-
 11 ment, and training devices; expansion of public and private
 12 plants, Government-owned equipment and installation there-
 13 of in such plants, erection of structures, and acquisition of
 14 land, for the foregoing purposes, and such lands and interests
 15 therein, may be acquired and construction prosecuted thereon
 16 prior to approval of title; reserve plant and Government and
 17 contractor-owned equipment layaway; and other expenses
 18 necessary for the foregoing purposes including rents and
 19 transportation of things; ~~\$8,043,527,000, and in addition,~~
 20 ~~\$155,000,000 to~~ *\$8,643,937,000, to remain available for ob-*
 21 *ligation until September 30, 1988, and in addition,*
 22 *\$64,400,000, of which \$29,400,000 shall be derived by*
 23 *transfer from "Missile Procurement, Air Force, 1984/*
 24 *1986", and \$35,000,000 shall be derived by transfer from*
 25 *"Missile Procurement, Air Force, 1985/1987"; to remain*

1 available for obligation until September 30, 1988: *Provided,*
2 That the number of MX missiles deployed at any time in
3 existing Minuteman silos may not exceed 50, and that funds
4 appropriated by this or any other Act may not be used—

5 (1) to modify, or prepare for modification, more
6 than 50 existing Minuteman silos for the deployment of
7 MX missiles;

8 (2) to acquire basing sets to modify more than 50
9 existing Minuteman silos for the deployment of MX
10 missiles; or

11 (3) to procure long-lead items for the deployment
12 of more than 50 MX missiles:

13 *Provided further,* That unless a basing mode for the MX mis-
14 sile other than existing Minuteman silos is specifically au-
15 thorized by legislation enacted after the date of the enact-
16 ment of this Act or the Department of Defense Authorization
17 Act, 1986, whichever first occurs, after procurement of 50
18 MX missiles for deployment in existing Minuteman silos—

19 (1) further procurement of MX missiles shall be
20 limited to those missiles necessary to support the oper-
21 ational test program and for the MX missile reliability
22 testing program; and

23 (2) during fiscal year 1987, depending upon the
24 most efficient production rate, from 12 to 21 MX
25 missiles should be procured for such purposes: *Provid-*

1 *ed, That no funds in this Act may be used for further*
 2 *development or procurement of the Titan-34D7 pro-*
 3 *gram.*

4 OTHER PROCUREMENT, AIR FORCE

5 (INCLUDING TRANSFER OF FUNDS)

6 For procurement and modification of equipment (includ-
 7 ing ground guidance and electronic control equipment, and
 8 ground electronic and communication equipment), and sup-
 9 plies, materials, and spare parts therefor, not otherwise pro-
 10 vided for; the purchase of not to exceed eight hundred and
 11 forty-nine passenger motor vehicles of which eight hundred
 12 and one shall be for replacement only; and expansion of
 13 public and private plants, Government-owned equipment and
 14 installation thereof in such plants, erection of structures, and
 15 acquisition of land, for the foregoing purposes, and such lands
 16 and interests therein, may be acquired, and construction pros-
 17 ecuted thereon, prior to approval of title; reserve plant and
 18 Government and contractor-owned equipment layaway,—as
 19 follows:

20 Munitions and associated equipment,
 21 ~~\$1,078,515,000, and in addition, \$10,800,000 to be~~
 22 ~~derived by transfer from "Other Procurement, Air~~
 23 ~~Force, 1985/1987";~~

24 Vehicular equipment, ~~\$320,869,000;~~

43

1 Electronics and telecommunications equipment,
 2 \$2,544,608,000, and in addition, \$8,858,000 to be de-
 3 rived by transfer from "Other Procurement, Air Force,
 4 1985/1987";

5 Other base maintenance and support equipment,
 6 \$4,466,044,000;

7 Non-centrally managed items, \$54,700,000;

8 And in addition, \$327,818,000, of which
 9 \$116,027,000 shall be derived by transfer from "Other
 10 Procurement, Air Force, 1984/1986" and
 11 \$211,791,000 shall be derived by transfer from "Other
 12 Procurement, Air Force, 1985/1987";

13 In all: \$7,890,918,000, and in addition, \$347,476,000 to be
 14 derived by transfer, to remain available for obligation until
 15 September 30, 1988: *Provided*, That within the total amount
 16 appropriated, the subdivisions within this appropriation shall
 17 be reduced by \$573,818,000: *Provided further*, That no obli-
 18 gation may be incurred for the procurement of 30mm armor
 19 piercing ammunition unless there is component breakout for
 20 the depleted uranium penetrator and other expenses neces-
 21 sary for the foregoing purposes; \$8,831,674,000, to remain
 22 available for obligation until September 30, 1988, and in
 23 addition, \$282,000,000 of which \$86,000,000 shall be de-
 24 rived by transfer from "Other Procurement, Air Force,

1 1984/1986" and \$196,000,000 shall be derived by transfer
2 from "Other Procurement, Air Force, 1985/1987".

3 NATIONAL GUARD AND RESERVE EQUIPMENT

4 (INCLUDING TRANSFER OF FUNDS)

5 For procurement of aircraft, missiles, tracked combat
6 vehicles, ammunition, other weapons, and other procurement
7 for the reserve components of the Armed Forces, as follows:

8 Army Reserve, \$440,000,000, and in addition
9 \$150,400,000, of which \$133,900,000 shall be derived
10 by transfer from "Procurement of Weapons and
11 Tracked Combat Vehicles, Army, 1984/1986";
12 \$6,500,000 shall be derived by transfer from "Procure-
13 ment of Weapons and Tracked Combat Vehicles,
14 Army, 1985/1987"; \$400,000 shall be derived by
15 transfer from "Procurement of Ammunition, Army,
16 1984/1986"; and \$9,600,000 shall be derived by
17 transfer from "Procurement of Ammunition, Army,
18 1985/1987";

19 Army National Guard, ~~\$165,000,000~~
20 \$698,800,000, of which not more than \$40,000,000
21 may be used for minor projects to facilitate the deliv-
22 ery, storage, training and maintenance of Army Na-
23 tional Guard equipment;

45

1 Air National Guard, ~~\$192,000,000~~ *\$300,000,000*,
 2 and in addition, \$8,000,000 to be derived by transfer
 3 from "Aircraft Procurement, Air Force, 1985/1987";
 4 Naval Reserve, ~~\$45,000,000~~ *\$255,000,000*;
 5 Marine Corps Reserve, ~~\$60,000,000~~
 6 *\$140,000,000*;
 7 Air Force Reserve, ~~\$120,000,000~~ *\$230,000,000*,
 8 and in addition *\$20,000,000 to be derived by transfer*
 9 *from "Aircraft Procurement, Air Force, 1984/1986";*
 10 In all: ~~\$582,000,000~~ *\$2,063,800,000, to remain available*
 11 *for obligation until September 30, 1988, and in addition,*
 12 ~~\$8,000,000~~ *\$178,400,000 to be derived by transfer, to*
 13 *remain available for obligation until September 30, 1988.*

14 PROCUREMENT, DEFENSE AGENCIES

15 (INCLUDING TRANSFER OF FUNDS)

16 For expenses of activities and agencies of the Depart-
 17 ment of Defense (other than the military departments) neces-
 18 sary for procurement, production, and modification of equip-
 19 ment, supplies, materials, and spare parts therefor, not other-
 20 wise provided for; the purchase of not to exceed four hundred
 21 and ninety passenger motor vehicles of which two hundred
 22 and fifty-one shall be for replacement only; expansion of
 23 public and private plants, equipment, and installation thereof
 24 in such plants, erection of structures, and acquisition of land
 25 for the foregoing purposes, and such lands and interests

1 therein, may be acquired, and construction prosecuted there-
 2 on prior to approval of title; reserve plant and Government
 3 and contractor-owned equipment layaway; ~~\$1,181,869,000~~
 4 *\$1,426,914,000, to remain available for obligation until Sep-*
 5 *tember 30, 1988,* and in addition, \$36,000,000, of which
 6 \$15,000,000 shall be derived by transfer from "Procurement,
 7 Defense Agencies, 1984/1986" and \$21,000,000 shall be
 8 derived by transfer from "Procurement, Defense Agencies,
 9 1985/1987", ~~to remain available for obligation until Sep-~~
 10 ~~tember 30, 1988.~~

11 DEFENSE PRODUCTION ACT PURCHASES

12 *For purchases or commitments to purchase metals, min-*
 13 *erals, or other materials by the Department of Defense pursu-*
 14 *ant to section 303 of the Defense Production Act of 1950, as*
 15 *amended (50 U.S.C. App. 2093); \$31,000,000, to remain*
 16 *available for obligation until September 30, 1988.*

17 TITLE IV

18 RESEARCH, DEVELOPMENT, TEST, AND

19 EVALUATION

20 RESEARCH, DEVELOPMENT, TEST, AND EVALUATION,

21 ARMY

22 (INCLUDING TRANSFER OF FUNDS)

23 For expenses necessary for basic and applied scientific
 24 research, development, test, and evaluation, including main-
 25 tenance, rehabilitation, lease, and operation of facilities and
 26 equipment, as authorized by law; ~~\$4,436,475,000~~

47

1 *\$4,841,169,000, to remain available for obligation until Sep-*
 2 *tember 30, 1987, of which \$20,000,000 is available only for*
 3 *completing development, transitioning into low-rate initial*
 4 *production, and initial procurement of shipsets required to*
 5 *arm UH-60 Blackhawk helicopters with Hellfire missiles,*
 6 *and in addition, \$110,530,000 \$89,000,000 to be derived by*
 7 *transfer from "Research, Development, Test, and Evalua-*
 8 *tion, Army, 1985/1986", to remain available for obligation*
 9 *until September 30, 1987 and \$176,000,000 to be derived by*
 10 *transfer from "Weapons and Tracked Combat Vehicles,*
 11 *Army, 1985/1987".*

12 RESEARCH, DEVELOPMENT, TEST, AND EVALUATION,
 13 NAVY

14 (INCLUDING TRANSFER OF FUNDS)

15 For expenses necessary for basic and applied scientific
 16 research, development, test, and evaluation, including main-
 17 tenance, rehabilitation, lease, and operation of facilities and
 18 equipment, as authorized by law; ~~\$9,462,631,000~~
 19 *\$10,104,594,000, to remain available for obligation until*
 20 *September 30, 1987, of which \$17,523,000 is available*
 21 *only for the Low Cost Anti-Radiation Seeker Program*
 22 *and \$5,500,000 is available only for the Laser Articulating*
 23 *Robotic System, and in addition, \$271,496,000*
 24 *\$183,000,000 to be derived by transfer from "Research, De-*

48

1 velopment, Test, and Evaluation, Navy, 1985/1986", ~~to~~
 2 ~~remain available for obligation until September 30, 1987.~~

3 RESEARCH, DEVELOPMENT, TEST, AND EVALUATION,
 4 AIR FORCE

5 (INCLUDING TRANSFER OF FUNDS)

6 For expenses necessary for basic and applied scientific
 7 research, development, test, and evaluation, including main-
 8 tenance, rehabilitation, lease, and operation of facilities and
 9 equipment, as authorized by law; ~~\$13,217,177,000~~
 10 *\$13,861,113,000, to remain available for obligation until*
 11 *September 30, 1987, of which \$17,613,000 is available only*
 12 *for the Low Cost Seeker Program,* and in addition,
 13 ~~\$359,000,000~~ *\$256,000,000* to be derived by transfer from
 14 "Research, Development, Test, and Evaluation, Air Force,
 15 1985/1986", ~~to remain available for obligation until Septem-~~
 16 ~~ber 30, 1987.~~

17 RESEARCH, DEVELOPMENT, TEST, AND EVALUATION,
 18 DEFENSE AGENCIES

19 (INCLUDING TRANSFER OF FUNDS)

20 For expenses of activities and agencies of the Depart-
 21 ment of Defense (other than the military departments), neces-
 22 sary for basic and applied scientific research, development,
 23 test, and evaluation; advanced research projects as may be
 24 designated and determined by the Secretary of Defense, pur-
 25 suant to law; maintenance, rehabilitation, lease, and oper-

1 ation of facilities and equipment, as authorized by law;
2 \$5,943,038,000, of which \$1,000,000 provided for the Uni-
3 versity Research Initiative Program is available only for re-
4 search at the Oklahoma State University, Stillwater, Oklaho-
5 ma; and of which \$700,000 shall be available only for the
6 purpose of carrying out, through the National Research
7 Council of the National Academy of Sciences, a comprehen-
8 sive classified study to be submitted to the Appropriations
9 Committees of the House of Representatives and the Senate,
10 together with an unclassified version, no later than August
11 30, 1987, to determine the technological feasibility and impli-
12 cations, and the ability to survive and function despite a pre-
13 emptive attack by an aggressor possessing comparable tech-
14 nology, of the Strategic Defense Initiative Program;
15 \$7,033,745,000 to remain available for obligation until Sep-
16 tember 30, 1987, and in addition, ~~\$179,112,000~~ \$51,000,000
17 to be derived by transfer from "Research, Development,
18 Test, and Evaluation, Defense Agencies, 1985/1986", ~~to~~
19 remain available for obligation until September 30, 1987:
20 *Provided*, That such amounts as may be determined by the
21 Secretary of Defense to have been made available in other
22 appropriations available to the Department of Defense during
23 the current fiscal year for programs related to advanced re-
24 search may be transferred to and merged with this appropria-
25 tion to be available for the same purposes and time period:

1 *Provided further*, That such amounts of this appropriation as
2 may be determined by the Secretary of Defense may be
3 transferred to carry out the purposes of advanced research to
4 those appropriations for military functions under the Depart-
5 ment of Defense which are being utilized for related pro-
6 grams to be merged with and to be available for the same
7 time period as the appropriation to which transferred.

8 DIRECTOR OF TEST AND EVALUATION, DEFENSE

9 For expenses, not otherwise provided for, of independ-
10 ent activities of the Director of Defense Test and Evaluation
11 in the direction and supervision of test and evaluation, includ-
12 ing initial operational testing and evaluation; and perform-
13 ance of joint testing and evaluation; and administrative ex-
14 penses in connection therewith; ~~\$93,500,000~~ \$143,500,000,
15 to remain available for obligation until September 30, 1987.

16 TITLE V

17 SPECIAL FOREIGN CURRENCY PROGRAM

18 For payment in foreign currencies which the Treasury
19 Department determines to be excess to the normal require-
20 ments of the United States for expenses in carrying out pro-
21 grams of the Department of Defense, as authorized by law;
22 \$2,100,000, to remain available for obligation until Septem-
23 ber 30, 1987: *Provided*, That this appropriation shall be
24 available in addition to other appropriations to such Depart-
25 ment, for payments in the foregoing currencies.

51

1 TITLE VI

2 REVOLVING AND MANAGEMENT FUNDS

3 ARMY STOCK FUND

4 For the Army stock fund; \$393,000,000.

5 NAVY STOCK FUND

6 For the Navy stock fund; ~~\$616,500,000~~ \$638,500,000.

7 MARINE CORPS STOCK FUND

8 For the Marine Corps stock fund; \$37,700,000.

9 AIR FORCE STOCK FUND

10 For the Air Force stock fund; \$415,900,000.

11 DEFENSE STOCK FUND

12 For the Defense stock fund; ~~\$149,700,000~~
13 \$174,500,000.

14 MARINER FUND

15 *The following unobligated balances of Shipbuilding and*
16 *Conversion, Navy, appropriations shall be transferred to the*
17 *Mariner Fund: fiscal year 1982/1986, \$38,400,000; fiscal*
18 *year 1983/1987, \$328,000,000; fiscal year 1984/1988,*
19 *\$346,700,000 and fiscal year 1985/1989, \$139,000,000:*
20 *Provided, That this paragraph shall be effective only upon*
21 *enactment of legislation establishing a Mariner Fund for*
22 *construction and lease of militarily useful vessels.*

23 ADP MANAGEMENT FUND

24 *For the purchase of automated data processing (ADP)*
25 *equipment; \$150,000,000.*

1

TITLE VII

2

RELATED AGENCIES

3

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND

4

DISABILITY SYSTEM FUND

5

6 For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; \$101,400,000.

9

INTELLIGENCE COMMUNITY STAFF

10

11 For necessary expenses of the Intelligence Community Staff; ~~\$22,083,000~~ \$22,283,000.

12

TITLE VIII

13

GENERAL PROVISIONS

14

15 SEC. 8001. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

22

23 SEC. 8002. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

1 SEC. 8003. During the current fiscal year, the Secre-
2 tary of Defense and the Secretaries of the Army, Navy, and
3 Air Force, respectively, if they should deem it advantageous
4 to the national defense, and if in their opinions the existing
5 facilities of the Department of Defense are inadequate, are
6 authorized to procure services in accordance with section
7 3109 of title 5, United States Code, under regulations pre-
8 scribed by the Secretary of Defense, and to pay in connection
9 therewith travel expenses of individuals, including actual
10 transportation and per diem in lieu of subsistence while trav-
11 eling from their homes or places of business to official duty
12 stations and return as may be authorized by law: *Provided,*
13 That such contracts may be renewed annually.

14 SEC. 8004. During the current fiscal year, provisions of
15 law prohibiting the payment of compensation to, or employ-
16 ment of, any person not a citizen of the United States shall
17 not apply to personnel of the Department of Defense.

18 SEC. 8005. Appropriations for the Department of De-
19 fense for the current fiscal year and hereafter shall be avail-
20 able for: (a) expenses in connection with administration of
21 occupied areas; (b) payment of rewards as authorized for the
22 Navy by section 7209(a) of title 10, United States Code, for
23 information leading to the discovery of missing naval proper-
24 ty or the recovery thereof; (c) payment of deficiency judg-
25 ments and interests thereon arising out of condemnation pro-

ceedings; (d) leasing of buildings and facilities including payment of rentals for special purpose space at the seat of government, and in the conduct of field exercises and maneuvers or, in administering the provisions of the Act of July 9, 1942 (56 Stat. 654; 43 U.S.C. 315q), rentals may be paid in advance; (e) payments under contracts for maintenance of tools and facilities for twelve months beginning at any time during the fiscal year; (f) maintenance of defense access roads certified as important to national defense in accordance with section 210 of title 23, United States Code; (g) the purchase of milk for enlisted personnel of the Department of Defense heretofore made available pursuant to section 202 of the Agricultural Act of 1949 (7 U.S.C. 1446a), and the cost of milk so purchased, as determined by the Secretary of Defense, shall be included in the value of the commuted ration; (h) payments under leases for real or personal property, including maintenance thereof when contracted for as a part of the lease agreement, for twelve months beginning at any time during the fiscal year; (i) the purchase of right-hand-drive vehicles not to exceed \$12,000 per vehicle; (j) payment of unusual cost overruns incident to ship overhaul, maintenance, and repair for ships inducted into industrial fund activities or contracted for in prior fiscal years: *Provided*, That the Secretary of Defense shall notify the Congress promptly prior to obligation of any such payments; (k) payments from annual

1 appropriations to industrial fund activities and/or under con-
2 tract for changes in scope of ship overhaul, maintenance, and
3 repair after expiration of such appropriations, for such work
4 either inducted into the industrial fund activity or contracted
5 for in that fiscal year; and (l) payments for depot maintenance
6 contracts for twelve months beginning at any time during the
7 fiscal year.

8 SEC. 8006. Appropriations for the Department of De-
9 fense for the current fiscal year and hereafter shall be avail-
10 able for: (a) military courts, boards, and commissions; (b) util-
11 ity services for buildings erected at private cost, as author-
12 ized by law, and buildings on military reservations authorized
13 by regulations to be used for welfare and recreational pur-
14 poses; and (c) exchange fees, and losses in the accounts of
15 disbursing officers or agents in accordance with law.

16 SEC. 8007. The Secretary of Defense and each purchas-
17 ing and contracting agency of the Department of Defense
18 shall assist American small and minority-owned business to
19 participate equitably in the furnishing of commodities and
20 services financed with funds appropriated under this Act by
21 increasing, to an optimum level, the resources and number of
22 personnel jointly assigned to promoting both small and mi-
23 nority business involvement in purchases financed with funds
24 appropriated herein, and by making available or causing to be
25 made available to such businesses, information, as far in ad-

1 vance as possible, with respect to purchases proposed to be
2 financed with funds appropriated under this Act, and by as-
3 sisting small and minority business concerns to participate
4 equitably as subcontractors on contracts financed with funds
5 appropriated herein, and by otherwise advocating and provid-
6 ing small and minority business opportunities to participate in
7 the furnishing of commodities and services financed with
8 funds appropriated by this Act.

9 SEC. 8008. No part of any appropriation contained in
10 this Act shall remain available for obligation beyond the
11 current fiscal year unless expressly so provided herein.

12 SEC. 8009. During the current fiscal year and hereafter:

13 (a) The President may exempt appropriations, funds,
14 and contract authorizations, available for military functions
15 under the Department of Defense, from the provisions of sec-
16 tion 1512 of title 31, United States Code, whenever he
17 deems such action to be necessary in the interest of national
18 defense.

19 (b) Upon determination by the President that such
20 action is necessary, the Secretary of Defense is authorized to
21 provide for the cost of an airborne alert as an excepted ex-
22 pense in accordance with the provisions of section 3732 of
23 the Revised Statutes (41 U.S.C. 11).

24 (c) Upon determination by the President that it is neces-
25 sary to increase the number of military personnel on active

1 duty subject to existing laws beyond the number for which
2 funds are provided in this Act, the Secretary of Defense is
3 authorized to provide for the cost of such increased military
4 personnel, as an excepted expense in accordance with the
5 provisions of section 3732 of the Revised Statutes (41
6 U.S.C. 11).

7 (d) The Secretary of Defense shall immediately advise
8 Congress of the exercise of any authority granted in this sec-
9 tion, and shall report monthly on the estimated obligations
10 incurred pursuant to subsections (b) and (c).

11 SEC. 8010. No part of the appropriations in this Act
12 shall be available for any expense of operating aircraft under
13 the jurisdiction of the armed forces for the purpose of profi-
14 ciency flying, as defined in Department of Defense Directive
15 1340.4, except in accordance with regulations prescribed by
16 the Secretary of Defense. Such regulations (1) may not re-
17 quire such flying except that required to maintain proficiency
18 in anticipation of a member's assignment to combat oper-
19 ations and (2) such flying may not be permitted in cases of
20 members who have been assigned to a course of instruction of
21 ninety days or more.

22 SEC. 8011. No part of any appropriation contained in
23 this Act shall be available for expense of transportation,
24 packing, crating, temporary storage, drayage, and unpacking

1 of household goods and personal effects in any one shipment
2 having a net weight in excess of eighteen thousand pounds.

3 SEC. 8012. During the current fiscal year and hereafter,
4 vessels under the jurisdiction of the Department of Transpor-
5 tation, the Department of the Army, the Department of the
6 Air Force, or the Department of the Navy may be trans-
7 ferred or otherwise made available without reimbursement to
8 any such agencies upon the request of the head of one agency
9 and the approval of the agency having jurisdiction of the
10 vessels concerned.

11 SEC. 8013. Not more than 20 per centum of the appro-
12 priations in this Act which are limited for obligation during
13 the current fiscal year shall be obligated during the last two
14 months of the fiscal year: *Provided*, That this section shall
15 not apply to obligations for support of active duty training of
16 civilian components or summer camp training of the Reserve
17 Officers' Training Corps, or the National Board for the
18 Promotion of Rifle Practice, Army, or to the appropriations
19 provided in this Act for Claims, Defense.

20 SEC. 8014. During the current fiscal year the agencies
21 of the Department of Defense may accept the use of real
22 property from foreign countries for the United States in ac-
23 cordance with mutual defense agreements or occupational ar-
24 rangements and may accept services furnished by foreign
25 countries as reciprocal international courtesies or as services

1 customarily made available without charge; and such agen-
2 cies may use the same for the support of the United States
3 forces in such areas without specific appropriation therefor.

4 In addition to the foregoing, agencies of the Department
5 of Defense may accept real property, services, and commod-
6 ities from foreign countries for the use of the United States in
7 accordance with mutual defense agreements or occupational
8 arrangements and such agencies may use the same for the
9 support of the United States forces in such areas, without
10 specific appropriations therefor: *Provided*, That the foregoing
11 authority shall not be available for the conversion of heating
12 plants from coal to oil at defense facilities in Europe:
13 *Provided further*, That within thirty days after the end of
14 each quarter the Secretary of Defense shall render to Con-
15 gress and to the Office of Management and Budget a full
16 report of such property, supplies, and commodities received
17 during such quarter.

18 SEC. 8015. During the current fiscal year and hereafter,
19 appropriations available to the Department of Defense for re-
20 search and development may be used for the purposes of sec-
21 tion 2353 of title 10, United States Code, and for purposes
22 related to research and development for which expenditures
23 are specifically authorized in other appropriations of the
24 Service concerned.

1 SEC. 8016. No part of any appropriation contained in
2 this Act, except for small purchases in amounts not exceed-
3 ing \$10,000 shall be available for the procurement of any
4 article of food, clothing, cotton, woven silk or woven silk
5 blends, spun silk yarn for cartridge cloth, synthetic fabric or
6 coated synthetic fabric, or wool (whether in the form of fiber
7 or yarn or contained in fabrics, materials, or manufactured
8 articles), or specialty metals including stainless steel flat-
9 ware, or hand or measuring tools, not grown, reprocessed,
10 reused, or produced in the United States or its possessions,
11 except to the extent that the Secretary of the Department
12 concerned shall determine that satisfactory quality and suffi-
13 cient quantity of any articles of food or clothing or any form
14 of cotton, woven silk and woven silk blends, spun silk yarn
15 for cartridge cloth, synthetic fabric or coated synthetic fabric,
16 wool, or specialty metals including stainless steel flatware,
17 grown, reprocessed, reused, or produced in the United States
18 or its possessions cannot be procured as and when needed at
19 United States market prices and except procurements outside
20 the United States in support of combat operations, procure-
21 ments by vessels in foreign waters, and emergency procure-
22 ments or procurements of perishable foods by establishments
23 located outside the United States for the personnel attached
24 thereto: *Provided*, That nothing herein shall preclude the
25 procurement of specialty metals or chemical warfare protec-

1 tive clothing produced outside the United States or its pos-
2 sessions when such procurement is necessary to comply with
3 agreements with foreign governments requiring the United
4 States to purchase supplies from foreign sources for the pur-
5 poses of offsetting sales made by the United States Govern-
6 ment or United States firms under approved programs serv-
7 ing defense requirements or where such procurement is nec-
8 essary in furtherance of the standardization and interoperabil-
9 ity of equipment requirements within NATO so long as such
10 agreements with foreign governments comply, where applica-
11 ble, with the requirements of section 36 of the Arms Export
12 Control Act and with section 2457 of title 10, United States
13 Code: *Provided further*, That nothing herein shall preclude
14 the procurement of foods manufactured or processed in the
15 United States or its possessions: *Provided further*, That no
16 funds herein appropriated shall be used for the payment of a
17 price differential on contracts hereafter made for the purpose
18 of relieving economic dislocations: *Provided further*, That
19 none of the funds appropriated in this Act shall be used
20 except that, so far as practicable, all contracts shall be
21 awarded on a formally advertised competitive bid basis to the
22 lowest responsible bidder.

23 SEC. 8017. During the current fiscal year, appropria-
24 tions available to the Department of Defense for pay of civil-
25 ian employees shall be available for uniforms, or allowances

1 therefor, as authorized by section 5901 of title 5, United
2 States Code.

3 SEC. 8018. Funds provided in this Act for legislative
4 liaison activities of the Department of the Army, the Depart-
5 ment of the Navy, the Department of the Air Force, and the
6 Office of the Secretary of Defense shall not exceed
7 ~~\$12,934,000~~ \$13,434,000 for the current fiscal year: *Provid-*
8 *ed*, That this amount shall be available for apportionment to
9 the Department of the Army, the Department of the Navy,
10 the Department of the Air Force, and the Office of the Secre-
11 tary of Defense as determined by the Secretary of Defense:
12 *Provided further*, That costs for military retired pay accrual
13 shall be included within this limitation.

14 SEC. 8019. Of the funds made available by this Act for
15 the services of the Military Airlift Command, \$100,000,000
16 shall be available only for procurement of commercial trans-
17 portation service from carriers participating in the civil re-
18 serve air fleet program; and the Secretary of Defense shall
19 utilize the services of such carriers which qualify as small
20 businesses to the fullest extent found practicable: *Provided*,
21 That the Secretary of Defense shall specify in such procure-
22 ment, performance characteristics for aircraft to be used
23 based upon modern aircraft operated by the civil reserve air
24 fleet.

1 (TRANSFER OF FUNDS)

2 SEC. 8020. Upon determination by the Secretary of De-
3 fense that such action is necessary in the national interest, he
4 may, with the approval of the Office of Management and
5 Budget, transfer not to exceed ~~\$1,200,000,000~~
6 *\$950,000,000* of working capital funds of the Department of
7 Defense or funds made available in this Act to the Depart-
8 ment of Defense for military functions (except military con-
9 struction) between such appropriations or funds or any subdi-
10 vision thereof, to be merged with and to be available for the
11 same purposes, and for the same time period, as the appro-
12 priation or fund to which transferred: *Provided*, That such
13 authority to transfer may not be used unless for higher priori-
14 ty items, based on unforeseen military requirements, than
15 those for which originally appropriated and in no case where
16 the item for which funds are requested has been denied by
17 Congress: *Provided further*, That the Secretary of Defense
18 shall notify the Congress promptly of all transfers made pur-
19 suant to this authority.

20 (TRANSFER OF FUNDS)

21 SEC. 8021. During the current fiscal year, cash bal-
22 ances in working capital funds of the Department of Defense
23 established pursuant to section 2208 of title 10, United
24 States Code, may be maintained in only such amounts as are
25 necessary at any time for cash disbursements to be made
26 from such funds: *Provided*, That transfers may be made be-

1 tween such funds in such amounts as may be determined by
2 the Secretary of Defense, with the approval of the Office of
3 Management and Budget, except that transfers between a
4 stock fund account and an industrial fund account may not be
5 made unless the Secretary of Defense has notified the Con-
6 gress of the proposed transfer. Except in amounts equal to
7 the amounts appropriated to working capital funds in this
8 Act, no obligations may be made against a working capital
9 fund to procure war reserve material inventory, unless the
10 Secretary of Defense has notified the Congress prior to any
11 such obligation.

12 SEC. 8022. None of the funds available to the Depart-
13 ment of Defense shall be utilized for the conversion of heat-
14 ing plants from coal to oil at defense facilities in Europe.

15 SEC. 8023. No part of the funds in this Act shall be
16 available to prepare or present a request to the Committees
17 on Appropriations for reprogramming of funds, unless for
18 higher priority items, based on unforeseen military require-
19 ments, than those for which originally appropriated and in no
20 case where the item for which reprogramming is requested has
21 been denied by the Congress.

22 SEC. 8024. None of the funds contained in this Act
23 available for the Civilian Health and Medical Program of the
24 Uniformed Services under the provisions of section 1079(a) of
25 title 10, United States Code, shall be available for reimburse-

1 ment of any physician or other authorized individual provider
2 of medical care in excess of the eightieth percentile of the
3 customary charges made for similar services in the same lo-
4 cality where the medical care was furnished, as determined
5 for physicians in accordance with section 1079(h) of title 10,
6 United States Code.

7 SEC. 8025. No appropriation contained in this Act may
8 be used to pay for the cost of public affairs activities of the
9 Department of Defense in excess of ~~\$42,888,000~~
10 *\$43,613,000: Provided, That* costs for military retired pay
11 accrual shall be included within this limitation.

12 SEC. 8026. None of the funds provided in this Act shall
13 be available for the planning or execution of programs which
14 utilize amounts credited to Department of Defense appropria-
15 tions or funds pursuant to the provisions of section 37(a) of
16 the Arms Export Control Act representing payment for the
17 actual value of defense articles specified in section
18 21(a)(1)(A) of that Act: *Provided, That* such amounts shall be
19 credited to the Special Defense Acquisition Fund, as author-
20 ized by law, or, to the extent not so credited shall be deposit-
21 ed in the Treasury as miscellaneous receipts as provided in
22 section 3302(b) of title 31, United States Code.

23 SEC. 8027. No appropriation contained in this Act shall
24 be available to fund any costs of a Senior Reserve Officers'
25 Training Corps unit—except to complete training of person-

1 nel enrolled in Military Science 4—which in its junior year
2 class (Military Science 3) has for the four preceding academic
3 years, and as of September 30, 1983, enrolled less than (a)
4 seventeen students where the institution prescribes a four-
5 year or a combination four- and two-year program; or (b)
6 twelve students where the institution prescribes a two-year
7 program: *Provided*, That, notwithstanding the foregoing limi-
8 tation, funds shall be available to maintain one Senior Re-
9 serve Officers' Training Corps unit in each State and at each
10 State-operated maritime academy: *Provided further*, That
11 units under the consortium system shall be considered as a
12 single unit for purposes of evaluation of productivity under
13 this provision: *Provided further*, That enrollment standards
14 contained in Department of Defense Directive 1215.8 for
15 Senior Reserve Officers' Training Corps units, as revised
16 during fiscal year 1981, may be used to determine compli-
17 ance with this provision, in lieu of the standards cited above.

18 SEC. 8028. None of the funds appropriated by this Act
19 for programs of the Central Intelligence Agency shall remain
20 available for obligation beyond the current fiscal year, except
21 for funds appropriated for the Reserve for Contingencies,
22 which shall remain available until September 30, 1987.

23 SEC. 8029. None of the funds appropriated by this Act
24 may be used to support more than 9,901 full-time and 2,603
25 part-time military personnel assigned to or used in the

1 support of Morale, Welfare, and Recreation activities as
2 described in Department of Defense Instruction 7000.12 and
3 its enclosures, dated September 4, 1980.

4 SEC. 8030. All obligations incurred in anticipation of
5 the appropriations and authority provided in this Act are
6 hereby ratified and confirmed if otherwise in accordance with
7 the provisions of this Act.

8 SEC. 8031. None of the funds appropriated by this Act
9 or heretofore appropriated by any other Act shall be obligat-
10 ed or expended for the payment of anticipatory possession
11 compensation claims to the Federal Republic of Germany
12 other than claims listed in the 1973 agreement (commonly
13 referred to as the Global Agreement) between the United
14 States and the Federal Republic of Germany.

15 SEC. 8032. During the current fiscal year the Depart-
16 ment of Defense may enter into contracts to recover indebt-
17 edness to the United States pursuant to section 3718 of title
18 31, United States Code.

19 SEC. 8033. None of the funds appropriated by this Act
20 shall be available for a contract for studies, analyses, or con-
21 sulting services entered into without competition on the basis
22 of an unsolicited proposal unless the head of the activity
23 responsible for the procurement determines:

1 (a) as a result of thorough technical evaluation,
2 only one source is found fully qualified to perform the
3 proposed work, or

4 (b) the purpose of the contract is to explore an
5 unsolicited proposal which offers significant scientific or
6 technological promise, represents the product of origi-
7 nal thinking, and was submitted in confidence by one
8 source, or

9 (c) where the purpose of the contract is to take
10 advantage of unique and significant industrial accom-
11 plishment by a specific concern, or to insure that a
12 new product or idea of a specific concern is given
13 financial support:

14 *Provided*, That this limitation shall not apply to contracts in
15 an amount of less than \$25,000, contracts related to im-
16 provements of equipment that is in development or produc-
17 tion, or contracts as to which a civilian official of the Depart-
18 ment of Defense, who has been confirmed by the Senate,
19 determines that the award of such contract is in the interest
20 of the national defense.

21 SEC. 8034. None of the funds appropriated by this Act
22 shall be available to provide medical care in the United
23 States on an inpatient basis to foreign military and diplomatic
24 personnel or their dependents unless the Department of De-
25 fense is reimbursed for the costs of providing such care: *Pro-*

1 *vided*, That reimbursements for medical care covered by this
2 section shall be credited to the appropriations against which
3 charges have been made for providing such care, except that
4 inpatient medical care may be provided in the United States
5 without cost to military personnel and their dependents from
6 a foreign country if comparable care is made available to a
7 comparable number of United States military personnel in
8 that foreign country.

9 SEC. 8035. None of the funds appropriated by this Act
10 shall be obligated for the second career training program
11 authorized by Public Law 96-347.

12 SEC. 8036. None of the funds appropriated or otherwise
13 made available in this Act shall be obligated or expended for
14 salaries or expenses during the current fiscal year for the
15 purposes of demilitarization of surplus nonautomatic firearms
16 less than .50 caliber.

17 SEC. 8037. None of the funds provided in this Act shall
18 be available to initiate (1) a multiyear contract that employs
19 economic order quantity procurement in excess of
20 \$20,000,000 in any one year of the contract or that includes
21 an unfunded contingent liability in excess of \$20,000,000, or
22 (2) a contract for advance procurement leading to a multiyear
23 contract that employs economic order quantity procurement
24 in excess of \$20,000,000 in any one year, unless the Com-
25 mittees on Appropriations and Armed Services of the Senate

1 and House of Representatives have been notified at least
2 thirty days in advance of the proposed contract award: *Pro-*
3 *vided*, That no part of any appropriation contained in this Act
4 shall be available to initiate a multiyear contract for which
5 the economic order quantity advance procurement is not
6 funded at least to the limits of the Government's liability:
7 *Provided further*, That no part of any appropriation contained
8 in this Act shall be available to initiate multiyear procure-
9 ment contracts for any systems or component thereof if the
10 value of the multiyear contract would exceed \$500,000,000
11 unless specifically provided in this Act: *Provided further*,
12 *That the execution of multiyear authority shall require the*
13 *use of a present value analysis to determine lowest cost com-*
14 *pared to an annual procurement.* Funds appropriated in title
15 III of this Act may be used for multiyear procurement con-
16 tracts as follows:

17 T-700 series aircraft engines;
18 MK-46 torpedo program;
19 Bradley Fighting Vehicle transmission;
20 M-1 tank chassis;
21 M-1 tank engine;
22 M-1 tank fire control components; and
23 LHD-1 amphibious assault ships.

24 SEC. 8038. None of the funds appropriated by this Act
25 which are available for payment of travel allowances for per

1 diem in lieu of subsistence to enlisted personnel shall be used
2 to pay such an allowance to any enlisted member in an
3 amount that is more than the amount of per diem in lieu of
4 subsistence that the enlisted member is otherwise entitled to
5 receive minus the basic allowance for subsistence, or pro rata
6 portion of such allowance, that the enlisted member is enti-
7 tled to receive during any day, or portion of a day, that the
8 enlisted member is also entitled to be paid a per diem in lieu
9 of subsistence.

10 SEC. 8039. None of the funds appropriated by this Act
11 shall be available to approve a request for waiver of the costs
12 otherwise required to be recovered under the provisions of
13 section 21(e)(1)(C) of the Arms Export Control Act unless
14 the Committees on Appropriations have been notified in
15 advance of the proposed waiver.

16 SEC. 8040. None of the funds appropriated by this Act
17 shall be available for the transportation of equipment or ma-
18 teriel designated as Prepositioned Materiel Configured in
19 Unit Sets (POMCUS) in Europe in excess of four division
20 sets: *Provided*, That the foregoing limitation shall not apply
21 with respect to any item of equipment or materiel which is
22 maintained in the inventories of the Active and Reserve
23 Forces at levels of at least 70 per centum of the established
24 requirements for such an item of equipment or materiel for
25 the Active Forces and 50 per centum of the established re-

1 quirement for the Reserve Forces for such an item of equip-
2 ment or materiel: *Provided further*, That no additional com-
3 mitments to the establishment of POMCUS sites shall be
4 made without prior approval of Congress.

5 SEC. 8041. (a) None of the funds in this Act may be
6 used to transfer any article of military equipment or data
7 related to the manufacture of such equipment to a foreign
8 country prior to the approval in writing of such transfer by
9 the Secretary of the military service involved.

10 (b) No funds appropriated by this Act may be used for
11 the transfer of a technical data package from any Govern-
12 ment-owned and operated defense plant manufacturing large
13 caliber cannons to any foreign government, nor for assisting
14 any such government in producing any defense item currently
15 being manufactured or developed in a United States Govern-
16 ment-owned, Government-operated, defense plant manufac-
17 turing large caliber cannons.

18 (TRANSFER OF FUNDS)

19 SEC. 8042. None of the funds appropriated in this Act
20 may be made available through transfer, reprogramming, or
21 other means for any intelligence or special activity different
22 from that previously justified to the Congress unless the Di-
23 rector of Central Intelligence or the Secretary of Defense has
24 notified the House and Senate Appropriations Committees of
25 the intent to make such funds available for such activity.

1 SEC. 8043. Of the funds appropriated by this Act for
2 strategic programs, the Secretary of Defense shall provide
3 funds for the Advanced Technology Bomber program at a
4 level at least equal to the amount provided by the committee
5 of conference on this Act in order to maintain priority empha-
6 sis on this program.

7 SEC. 8044. None of the funds available to the Depart-
8 ment of Defense during the current fiscal year shall be used
9 by the Secretary of a military department to purchase coal or
10 coke from foreign nations for use at United States defense
11 facilities in Europe when coal from the United States is
12 available.

13 SEC. 8045. None of the funds available to the Depart-
14 ment of Defense shall be available for the procurement of
15 manual typewriters which were manufactured by facilities lo-
16 cated within states which are Signatories to the Warsaw
17 Pact.

18 SEC. 8046. None of the funds appropriated by this Act
19 may be used to appoint or compensate more than 37 individ-
20 uals in the Department of Defense in positions in the Execu-
21 tive Schedule (as provided in sections 5312-5316 of title 5,
22 United States Code).

23 SEC. 8047. None of the funds appropriated by this Act
24 shall be available to convert a position in support of the
25 Army Reserve, Air Force Reserve, Army National Guard,

1 and Air National Guard occupied by, or programed to be
2 occupied by, a (civilian) military technician to a position to be
3 held by a person in an active Guard or Reserve status if that
4 conversion would reduce the total number of positions occu-
5 pied by, or programed to be occupied by, (civilian) military
6 technicians of the component concerned, below 66,086: *Pro-*
7 *vided*, That none of the funds appropriated by this Act shall
8 be available to support more than 43,157 positions in support
9 of the Army Reserve, Army National Guard or Air National
10 Guard occupied by, or programed to be occupied by, persons
11 in an active Guard or Reserve status: *Provided further*, That
12 none of the funds appropriated by this Act may be used to
13 include (civilian) military technicians in computing civilian
14 personnel ceilings, including statutory or administratively im-
15 posed ceilings, on activities in support of the Army Reserve,
16 Air Force Reserve, Army National Guard or Air National
17 Guard.

18 SEC. 8048. (a) The provisions of section 138(c)(2) of
19 title 10, United States Code, shall not apply with respect to
20 fiscal year 1986 or with respect to the appropriation of funds
21 for that year.

22 (b) During fiscal year 1986, the civilian personnel of the
23 Department of Defense may not be managed on the basis of
24 any end-strength, and the management of such personnel
25 during that fiscal year shall not be subject to any constraint

75

1 or limitation (known as an end-strength) on the number of
2 such personnel who may be employed on the last day of such
3 fiscal year.

4 (c) The fiscal year 1987 budget request for the Depart-
5 ment of Defense as well as all justification material and other
6 documentation supporting the fiscal year 1987 Department of
7 Defense budget request shall be prepared and submitted to
8 the Congress as if sections (a) and (b) of this provision were
9 effective with regard to fiscal year 1987.

10 (TRANSFER OF FUNDS)

11 SEC. 8049. Appropriations or funds available to the De-
12 partment of Defense during the current fiscal year may be
13 transferred to appropriations provided in this Act for re-
14 search, development, test, and evaluation to the extent nec-
15 essary to meet increased pay costs authorized by or pursuant
16 to law, to be merged with and to be available for the same
17 purposes, and the same time period, as the appropriation to
18 which transferred.

19 ~~SEC. 8050. (a) During fiscal year 1986, no funds avail-~~
20 ~~able to the Central Intelligence Agency, Department of De-~~
21 ~~fense, or any other agency or entity of the United States~~
22 ~~involved in intelligence activities may be obligated or expend-~~
23 ~~ed, directly or indirectly, for material assistance to the Nica-~~
24 ~~raguan democratic resistance including arms, ammunition, or~~
25 ~~other equipment or material which could be used to inflict~~
26 ~~serious bodily harm or death, or which would have the effect~~

1 of providing arms, ammunition or other weapons of war for
2 military or paramilitary operations in Nicaragua by any
3 group, organization, movement or individual.

4 (b) Nothing in this section shall be construed to impair
5 or affect the authority of the Nicaraguan Humanitarian As-
6 sistance Office to administer humanitarian assistance to the
7 Nicaraguan democratic resistance of the nature and to the
8 extent provided by, and under the terms and conditions speci-
9 fied in, the Supplemental Appropriations Act, 1985 (Public
10 Law 99-88).

11 *SEC. 8050. In addition to any other transfer authority*
12 *contained in this Act, amounts from working capital funds*
13 *may be transferred to the Operation and Maintenance,*
14 *Army, Navy, and Air Force appropriations contained in this*
15 *Act to be merged with and to be available for the same pur-*
16 *poses and for the same time period as the appropriation to*
17 *which transferred: Provided, That such transfers shall not*
18 *exceed \$83,200,000 for Operation and Maintenance, Army;*
19 *\$350,300,000 for Operation and Maintenance, Navy; and*
20 *\$94,000,000 for Operation and Maintenance, Air Force.*

21 *SEC. 8051. None of the funds made available by this*
22 *Act shall be used in any way for the leasing to non-Federal*
23 *agencies in the United States aircraft or vehicles owned or*
24 *operated by the Department of Defense when suitable air-*
25 *craft or vehicles are commercially available in the private*

1 sector: *Provided*, That nothing in this section shall affect au-
2 thorized and established procedures for the sale of surplus
3 aircraft or vehicles: ~~*Provided further*, That nothing in this~~
4 ~~section shall prohibit such leasing when specifically~~
5 ~~authorized in a subsequent Act of Congress: *Provided fur-*~~
6 ~~*ther*, That nothing in this section shall prohibit the extension~~
7 ~~or renewal of such leases that were first entered into prior to~~
8 ~~December 29, 1981.~~

9 SEC. 8052. None of the funds made available by this
10 Act shall be used in any way, directly or indirectly, to influ-
11 ence congressional action on any legislation or appropriation
12 matters pending before the Congress.

13 SEC. 8053. No funds available to the Department of
14 Defense during the current fiscal year may be used to enter
15 into any contract with a term of eighteen months or more or
16 to extend or renew any contract for a term of eighteen
17 months or more, for any vessel, aircraft or vehicles, through
18 a lease, charter, or similar agreement without previously
19 having been submitted to the Committees on Appropriations
20 of the House of Representatives and the Senate in the budg-
21 etary process. Further, any contractual agreement which im-
22 poses an estimated termination liability (excluding the esti-
23 mated value of the leased item at the time of termination) on
24 the Government exceeding 50 per centum of the original
25 purchase value of the vessel, aircraft, or vehicle must have

1 specific authority in an appropriation Act for the obligation of
2 10 per centum of such termination liability.

3 ~~SEC. 8054. None of the funds appropriated in this Act~~
4 ~~may be obligated or expended in any way for the purpose of~~
5 ~~the sale, lease, rental, or excessing of any portion of land~~
6 ~~currently identified as Fort DeRussy, Honolulu, Hawaii.~~

7 *SEC. 8054. (a) Notwithstanding any other provision of*
8 *law, including but not limited to section 809 of the Military*
9 *Construction Authorization Act, 1968, section 807(d) of the*
10 *Military Construction Act, 1984, or any provision of an*
11 *annual Appropriation Act restricting the use of funds for the*
12 *sale, lease, rental, or excessing of any portion of land cur-*
13 *rently identified as Fort DeRussy, Honolulu, Hawaii, the*
14 *Secretary of the Army (hereinafter referred to as the "Secre-*
15 *tary") is authorized to sell and convey, at the appraised fair*
16 *market value as determined by the Secretary, all right, title,*
17 *and interest of the United States in up to 45 acres of land*
18 *and improvements northeast of Kalia Road comprising a por-*
19 *tion of Fort DeRussy, Hawaii, to the City and County of*
20 *Honolulu or the State of Hawaii, or their designated agen-*
21 *cies, upon such terms and conditions as are acceptable to the*
22 *Secretary. The exact acreages and legal descriptions of the*
23 *property to be sold under this section shall be determined by*
24 *surveys which are satisfactory to the Secretary. The cost of*
25 *any such surveys shall be borne by the buyer.*

1 (b) *The Secretary is authorized to acquire land and*
2 *design and construct such facilities as are necessary to re-*
3 *place those on the land to be sold pursuant to subsection (a).*

4 *The Secretary is also authorized to relocate activities current-*
5 *ly located at Fort DeRussy to such replacement facilities.*

6 (c) *The proceeds of the sale authorized to be conducted*
7 *pursuant to subsection (a) shall be available without fiscal*
8 *year limitation to acquire land and replace facilities author-*
9 *ized to be acquired or constructed pursuant to subsection (b)*
10 *and to pay associated relocation costs. The remainder of the*
11 *proceeds shall be converted into the Treasury as miscellane-*
12 *ous receipts.*

13 (d) *Any action under this section shall ensure adequate*
14 *parking for the Hale Koa Hotel—Armed Forces Recreational*
15 *Area. Authority provided by subsections (b) and (c) shall*
16 *extend to replacement and relocation of facilities at Fort*
17 *Shafter to another site to accommodate relocation of Reserve*
18 *facilities from Fort DeRussy.*

19 SEC. 8055. None of the funds made available by this
20 Act shall be available to operate in excess of 247 commis-
21 saries in the contiguous United States.

22 SEC. 8056. None of the funds provided in this Act shall
23 be used to procure aircraft ejection seats manufactured in any
24 foreign nation that does not permit United States manufac-
25 turers to compete for ejection seat procurement requirements

1 in that foreign nation. This limitation shall apply only to ejection
2 seats procured for installation on aircraft produced or
3 assembled in the United States.

4 SEC. 8057. No more than ~~\$189,300,000~~ \$171,300,000
5 of the funds appropriated by this Act shall be available for
6 the payment of unemployment compensation benefits.

7 SEC. 8058. None of the funds appropriated by this Act
8 should be obligated for the pay of any individual who is initially
9 employed after the date of enactment of this Act as a
10 technician in the administration and training of the Army Reserve
11 and the maintenance and repair of supplies issued to
12 the Army Reserve unless such individual is also a military
13 member of the Army Reserve troop program unit that he or
14 she is employed to support. Those technicians employed by
15 the Army Reserve in areas other than Army Reserve troop
16 program units need only be members of the Selected
17 Reserve.

18 SEC. 8059. None of the funds appropriated by this Act
19 shall be used for the transfer of the Department of Defense
20 Dependents Schools (DODDS) to the Department of
21 Education.

22 ~~SEC. 8060. No part of the funds appropriated herein~~
23 ~~shall be available for the purchase of more than 50 per~~
24 ~~centum of the fiscal year requirements for aircraft power~~
25 ~~supply cable assemblies of each military facility from indus-~~

1 ~~tries established pursuant to title 18, United States Code:~~
2 ~~Provided, That the restriction contained herein shall not~~
3 ~~apply to small purchases in amounts not exceeding \$10,000.~~

4 *SEC. 8060. Notwithstanding section 1502(a) of title 31,*
5 *United States Code, or any other Act, funds appropriated for*
6 *the multiple launch rocket system (MLRS) program of the*
7 *Army for fiscal years 1985 and 1986 may be used to enter*
8 *into contracts for purchases in economic order quantity of*
9 *materials and components for use with end items under the*
10 *program proposed for procurement during fiscal year 1989.*

11 SEC. 8061. None of the funds appropriated by this Act
12 shall be used to purchase dogs or cats or otherwise fund the
13 use of dogs or cats for the purpose of training Department of
14 Defense students or other personnel in surgical or other med-
15 ical treatment of wounds produced by any type of weapon:
16 *Provided, That the standards of such training with respect to*
17 *the treatment of animals shall adhere to the Federal Animal*
18 *Welfare Law and to those prevailing in the civilian medical*
19 *community.*

20 SEC. 8062. None of the funds made available by this
21 Act shall be used to initiate full-scale engineering develop-
22 ment of any major defense acquisition program until the
23 Secretary of Defense has provided to the Committees on
24 Appropriations of the House and Senate—

1 (a) a certification that the system or subsystem
2 being developed will be procured in quantities that are
3 not sufficient to warrant development of two or more
4 production sources, or

5 (b) a plan for the development of two or more
6 sources for the production of the system or subsystem
7 being developed.

8 SEC. 8063. None of the funds appropriated by this Act
9 shall be available to pay any member of the uniformed serv-
10 ice for unused accrued leave pursuant to section 501 of title
11 37, United States Code, for more than sixty days of such
12 leave, less the number of days for which payment was previ-
13 ously made under section 501 after February 9, 1976.

14 SEC. 8064. Within funds available under title II of this
15 Act, but not to exceed \$100,000, and under such regulations
16 as the Secretary of Defense may prescribe, the Department
17 of Defense may, in addition to allowances currently available,
18 make payments for travel and transportation expenses of the
19 surviving spouse, children, parents, and brothers and sisters
20 of any member of the Armed Forces of the United States,
21 who dies as the result of an injury or disease incurred in line
22 of duty to attend the funeral of such member in any case in
23 which the funeral of such member is more than two hundred
24 miles from the residence of the surviving spouse, children,
25 parents or brothers and sisters, if such spouse, children, par-

1 ents or brothers and sisters, as the case may be, are finan-
2 cially unable to pay their own travel and transportation
3 expenses to attend the funeral of such member.

4 SEC. 8065. None of the funds available to the Depart-
5 ment of Defense may be used for the floating storage of
6 petroleum or petroleum products except in vessels of or
7 belonging to the United States.

8 SEC. 8066. Of the funds made available to the Depart-
9 ment of the Air Force in this Act, not less than \$3,000,000
10 shall be available for the Civil Air Patrol.

11 SEC. 8067. Funds available to the Department of
12 Defense may be used by the Department of Defense for the
13 use of helicopters and motorized equipment at Defense instal-
14 lations for removal of feral burros and horses.

15 ~~SEC. 8068. On or after September 30, 1985, none of~~
16 ~~the funds appropriated by this Act shall be available to exe-~~
17 ~~cute an agreement for continuation pay authorized under sec-~~
18 ~~tion 311 of title 37, United States Code, with an officer of~~
19 ~~the Army or Navy in the Dental Corps or an officer of the~~
20 ~~Air Force designated as a dental officer who is serving in a~~
21 ~~dental specialty which is manned in excess of 95 per centum~~
22 ~~of the authorized strength for that specialty: *Provided*, That~~
23 ~~an agreement for such continuation pay may be executed~~
24 ~~with such an officer if the agreement provides that such offi-~~
25 ~~cer will receive only 50 per centum of the amount of the~~

7 *SEC. 8068. So far as may be practicable, Indian labor*
8 *shall be employed, and purchases of the products of Indian*
9 *industry may be made in open market in the discretion of the*
10 *Secretary of Defense: Provided, That the products must meet*
11 *pre-set contract specifications.*

SEC. 8069. Not to exceed \$100,000,000 may be transferred from the appropriation "Operation and Maintenance, Defense Agencies" to operation and maintenance appropriations under the military departments in connection with demonstration projects authorized by section 1092 of title 10, United States Code: *Provided*, That the Secretary of Defense shall promptly notify the Congress of any such transfer of funds under this provision: *Provided further*, That the authority to make transfers pursuant to this section is in addition to the authority to make transfers under other provisions of this Act.

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1 systems in Europe: *Provided*, That those facilities identified
2 by the Department of the Army as of April 11, 1985, as
3 being in advanced stages of negotiations shall be exempt from
4 such provision: *Provided further*, That nothing in this section
5 shall prohibit the conversion or consolidation of heating fa-
6 cilities to district heating distribution systems at Bad Kissin-
7 gen, Hessen, in the Federal Republic of Germany.

8 SEC. 8071. None of the funds appropriated by this Act
9 shall be available to compensate foreign selling costs as de-
10 scribed in Federal Acquisition Regulation 31.205-38(b) as in
11 effect on April 1, 1984.

12 SEC. 8072. Of the funds appropriated for the operation
13 and maintenance of the Armed Forces, obligations may be
14 incurred for humanitarian and civic assistance costs inciden-
15 tal to authorized operations, and these obligations shall be
16 reported to Congress on September 30, 1986: *Provided*, That
17 funds available for operation and maintenance shall be avail-
18 able for providing humanitarian and similar assistance in the
19 Trust Territories of the Pacific Islands by using Civic Action
20 Teams.

21 SEC. 8073. Notwithstanding any other provision of law,
22 the Secretaries of the Army and Air Force may authorize the
23 retention in an active status until age sixty of any officer who
24 would otherwise be removed from an active status and who is
25 employed as a National Guard or Reserve technician in a

1 position in which active status in a reserve component of the
2 Army or Air Force is required as a condition of that
3 employment.

4 SEC. 8074. None of the funds available to the Depart-
5 ment of Defense may be used to transport any chemical
6 munitions into the Lexington-Blue Grass Army Depot for
7 purposes of future demilitarization.

8 SEC. 8075. None of the funds appropriated by this Act
9 may be obligated or expended for the purposes delineated in
10 section 1002(e)(2) of the Department of Defense Authoriza-
11 tion Act, 1985, without the prior notification to the Commit-
12 tees on Appropriations of the House of Representatives and
13 the Senate.

14 ~~SEC. 8076. None of the funds provided by this Act shall~~
15 ~~be used to perform abortions except where the life of the~~
16 ~~mother would be endangered if the fetus were carried to~~
17 ~~term.~~

18 *SEC. 8076. None of the fund provided by this Act may*
19 *be used to pay the salaries of any person or persons who*
20 *authorized the transfer of unobligated and deobligated appro-*
21 *priations into the Reserve for Contingencies of the Central*
22 *Intelligence Agency.*

23 SEC. 8077. It is the sense of the Congress that the Sec-
24 retary of Defense should formulate and carry out a program
25 under which contracts awarded by the Department of

1 Defense in fiscal year 1986 would, to the maximum extent
2 practicable and consistent with existing law, be awarded to
3 contractors who agree to carry out such contracts in labor
4 surplus areas (as defined and identified by the Department of
5 Labor).

6 SEC. 8078. It is the sense of the Congress that competi-
7 tion, which is necessary to enhance innovation, effectiveness,
8 and efficiency, and which has served our Nation so well in
9 other spheres of political and economic endeavor, should be
10 expanded and increased in the provision of our national
11 defense.

12 ~~SEC. 8079. It is the sense of the Congress that—(a) the~~
13 ~~President shall inform and make every effort to consult with~~
14 ~~other member nations of the North Atlantic Treaty Organiza-~~
15 ~~tion; Japan; and other appropriate allies concerning the re-~~
16 ~~search being conducted in the Strategic Defense Initiative~~
17 ~~program. (b) The Secretary of Defense, in coordination with~~
18 ~~the Secretary of State and the Director of the Arms Control~~
19 ~~and Disarmament Agency, shall at the time of the submission~~
20 ~~of the annual budget presentation materials for each fiscal~~
21 ~~year beginning after September 30, 1984, report to the Com-~~
22 ~~mittees on Appropriations, Armed Services, and Foreign Re-~~
23 ~~lations of the Senate and the Committees on Appropriations,~~
24 ~~Armed Services, and Foreign Affairs of the House of Repre-~~

1 ~~sentatives on the status of the consultations referred to under~~
2 ~~subsection (a).~~

3 *SEC. 8079. Notwithstanding any other provision of*
4 *law, each contract awarded by the Department of Defense for*
5 *construction or services to be performed in whole or in part in*
6 *a State which is not contiguous with another State and has*
7 *an unemployment rate in excess of the national average rate*
8 *of unemployment as determined by the Secretary of Labor*
9 *shall include a provision requiring the contractor to employ,*
10 *for the purpose of performing that portion of the contract in*
11 *such State that is not contiguous with another State, individ-*
12 *uals who are residents of such State and who, in the case of*
13 *any craft or trade, possess or would be able to acquire*
14 *promptly the necessary skills: Provided, That the Secretary*
15 *of Defense may waive the requirements of this section in the*
16 *interest of national security.*

17 ~~SEC. 8080. It is the sense of Congress that the Presi-~~
18 ~~dent should insist that the pertinent member nations of the~~
19 ~~North Atlantic Treaty Organization meet or exceed their~~
20 ~~pledges for an annual increase in defense spending of at least~~
21 ~~3 per centum real growth and should insist that Japan fur-~~
22 ~~ther increase its defense spending during fiscal years 1986~~
23 ~~and 1987 in furtherance of increased unity, equitable sharing~~
24 ~~of our common defense burden, and international stability.~~

1 *SEC. 8080. None of the funds appropriated by this Act*
2 *shall be available to pay a dislocation allowance pursuant to*
3 *section 407 of title 37, United States Code, in excess of one*
4 *month's basic allowance for quarters.*

5 ~~*SEC. 8081. None of the funds available to the Depart-*~~
6 ~~*ment of Defense shall be obligated or expended to contract*~~
7 ~~*out any activity currently performed by the Defense Person-*~~
8 ~~*nel Support Center in Philadelphia, Pennsylvania: Provided,*~~
9 ~~*That this provision shall not apply after notification to the*~~
10 ~~*Committees on Appropriations of the House of Representa-*~~
11 ~~*tives and the Senate of the results of the cost analysis of*~~
12 ~~*contracting out any such activity.*~~

13 *SEC. 8081. None of the funds appropriated by this Act*
14 *shall be used to make contributions to the Department of De-*
15 *fense Education Benefits Fund pursuant to section 2006(g)*
16 *of title 10, United States Code, representing the normal cost*
17 *for future benefits under section 1415(c) of title 38, United*
18 *States Code, for any member of the armed services who, on*
19 *or after the date of enactment of this Act, receives an enlist-*
20 *ment bonus under section 308a or 308f of title 37, United*
21 *States Code; nor shall any amounts representing the normal*
22 *cost of such future benefits be transferred from the Fund by*
23 *the Secretary of the Treasury to the Administrator of Veter-*
24 *ans' Affairs pursuant to section 2006(d) of title 10, United*

1 *States Code; nor shall the Administrator pay such benefits to*
2 *any such member.*

3 SEC. 8082. Notwithstanding any other provision of this
4 Act, no funds appropriated by this Act shall be expended for
5 the research, development, test, evaluation or procurement
6 for integration of a nuclear warhead into the Joint Tactical
7 Missile System (JTACMS).

8 SEC. 8083. Under regulations prescribed by the Secre-
9 tary of Defense, the Department of the Air Force and the
10 Defense Logistics Agency may test a flat rate per diem
11 system for military and civilian travel allowances: *Provided,*
12 *That per diem allowances paid under a flat rate per diem*
13 *system shall be in an amount determined by the Secretary of*
14 *Defense to be sufficient to meet normal and necessary ex-*
15 *penses in the area in which travel is performed, but in no*
16 *event will the travel allowances exceed \$75 for each day in*
17 *travel status within the continental United States: Provided*
18 *further, That the test approved under this section shall expire*
19 *on September 30, 1987, or upon the effective date of perma-*
20 *nent legislation establishing a flat rate per diem system for*
21 *both military and civilian personnel, whichever occurs first.*

22 ~~SEC. 8084. Notwithstanding any other provision of law,~~
23 ~~during fiscal year 1986, the Department of Defense is to con-~~
24 ~~duct a pilot test project of providing home health care to~~
25 ~~dependents entitled to health care under section 1076 of title~~

1 ~~10, United States Code: Provided, That such care is medical-~~
2 ~~ly necessary or appropriate, cost effective, and the benefi-~~
3 ~~ary is not covered for such care under any other public or~~
4 ~~private health insurance plan.~~

5 *SEC. 8084. Not more than \$2,782,756,000 of the funds*
6 *appropriated by this Act may be obligated for permanent*
7 *change of station travel (including all expenses of such travel*
8 *for organizational movements): Provided, That assignments*
9 *for temporary duty may not be increased in order to circum-*
10 *vent this limitation: Provided further, That this limitation*
11 *may be exceeded only upon a determination and notification*
12 *to the Congress by the Secretary of Defense that such action*
13 *is necessary to meet national security requirements.*

14 ~~SEC. 8085. No appropriation contained in this Act shall~~
15 ~~be available for the payment of more than 75 per centum of~~
16 ~~charges of postsecondary education institutions for tuition or~~
17 ~~expenses for off-duty training of Ready Reserve commis-~~
18 ~~sioned officer personnel, nor for the payment of any part of~~
19 ~~tuition or expenses for such training of such personnel who~~
20 ~~do not agree to remain members of the Ready Reserve for at~~
21 ~~least four years after completion of such training or~~
22 ~~education.~~

23 *SEC. 8085. Funds appropriated in this Act shall be*
24 *available for the payment of not more than 75 percent of the*
25 *charges of a postsecondary educational institution for the twi-*

1 *tion or expenses of an officer in the Ready Reserve of the*
2 *Army National Guard or Army Reserve for education or*
3 *training during his off-duty periods, except that no part of*
4 *the charges may be paid unless the officer agrees to remain a*
5 *member of the Ready Reserve for at least four years after*
6 *completion of such training or education: Provided, That not-*
7 *withstanding any other provision of law, those individuals*
8 *who received assistance under the Army National Guard As-*
9 *sistance for Military Professional Development program and*
10 *who forfeited money as a result of its cancellation on July*
11 *22, 1985, and who could not continue in this program, shall*
12 *be reimbursed for the moneys they forfeited: Provided fur-*
13 *ther, That no interest shall be paid on the amounts*
14 *reimbursed.*

15 ~~SEC. 8086. None of the funds appropriated in this Act~~
16 ~~shall be used for professional surveying and mapping services~~
17 ~~performed by contract for the Defense Mapping Agency~~
18 ~~unless those contracts are procured in accordance with the~~
19 ~~selection procedures outlined pursuant to section 2855 of title~~
20 ~~10, United States Code.~~

21 *SEC. 8086. During the current fiscal year, effective*
22 *January 1, 1985, the rate of the basic allowance for quarters*
23 *authorized by section 403(a) of title 37, United States Code,*
24 *which is payable to a member of the uniformed services who*
25 *was entitled to that allowance on December 31, 1984, shall*

1 *not be less than the rate of the basic allowance for quarters*
2 *that was in effect for that member on December 31, 1984*
3 *(unless the member holds a lower grade than he held on that*
4 *date or has had a change in dependent status from a "with*
5 *dependents" status to a "without dependents" status).*

6 ~~SEC. 8087. None of the funds appropriated by this Act~~
7 ~~shall be available to convert to contractor performance an~~
8 ~~activity or function of the Department of Defense that, on or~~
9 ~~after the date of enactment of this Act, is performed by more~~
10 ~~than ten Department of Defense civilian employees until a~~
11 ~~most efficient and cost-effective organization analysis is com-~~
12 ~~pleted on such activity or function and certification of the~~
13 ~~analysis is made to the Committees on Appropriations of the~~
14 ~~House of Representatives and the Senate.~~

15 *SEC. 8087. Upon a determination by the Secretary of*
16 *Defense that such action will result in a more economical*
17 *acquisition of automated data processing equipment, funds*
18 *provided in this Act under one appropriation account for the*
19 *lease or purchase of such equipment may be transferred to*
20 *another appropriation account in this Act for the lease or*
21 *purchase of automated data processing equipment to be*
22 *merged with and to be available for the same purposes, and*
23 *for the same time period, as the appropriation to which trans-*
24 *ferred: Provided, That within thirty days after the end of*
25 *each quarter the Secretary of Defense shall report transfers*

1 *made under this section to the Committees on Appropriations*
2 *of the Senate and the House of Representatives: Provided*
3 *further, That the authority to transfer funds under this sec-*
4 *tion shall be in addition to any other transfer authority con-*
5 *tained in this Act.*

6 SEC. 8088. Appropriations available to the Department
7 of Defense during the current fiscal year shall be available,
8 under such regulations as the Secretary of Defense may
9 deem appropriate, to exchange or furnish mapping, charting,
10 and geodetic data, supplies or services to a foreign country
11 pursuant to an agreement for the production or exchange of
12 mapping, charting, and geodetic data.

13 ~~SEC. 8089. Of the funds made available in title IV of~~
14 ~~this Act, \$300,000 available for Defense Research Sciences,~~
15 ~~Army; \$300,000 available for Defense Research Sciences,~~
16 ~~Navy; \$300,000 available for Defense Research Sciences,~~
17 ~~Air Force; and \$100,000 available for Defense Research~~
18 ~~Sciences, Defense Agencies; in all: \$1,000,000, shall be~~
19 ~~available only for establishing at a private nonprofit institu-~~
20 ~~tion a pilot program for advanced semiconductor research.~~

21 SEC. 8089. *The lands described in Bureau of Land*
22 *Management casefile AA-57372 shall be conveyed to the Mu-*
23 *nicipality of Anchorage pursuant to the public interest alnd*
24 *provisions of the North Anchorage Land Agreement if such*
25 *lands are decalred excess to the needs of the Army in Alaska.*

1 ~~SEC. 8090. None of the funds appropriated by this Act~~
2 ~~may be obligated or expended for the purposes delineated in~~
3 ~~section 1103(e) of the Department of Defense Authorization~~
4 ~~Act, 1986, until 30 calendar days have elapsed following re-~~
5 ~~ceipt of written notification by the Committees on Appropria-~~
6 ~~tions and Armed Services of the House of Representatives~~
7 ~~and the Senate.~~

8 *SEC. 8090. The Secretary of Defense shall, within*
9 *ninety days after the date of the enactment of this Act, issue*
10 *proposed regulations to amend those provisions of the Depart-*
11 *ment of Defense Supplement to the Federal Acquisition Reg-*
12 *ulation dealing with the unallowability of contractors' public*
13 *relations costs. The amendment shall define in detail and in*
14 *specific terms those public relations costs which are unallow-*
15 *able under contracts entered into by the Department of De-*
16 *fense. In developing specific standards of allowable costs, the*
17 *Secretary shall consider whether the costs incurred benefit*
18 *the United States or are necessary for the operation of a con-*
19 *tractor's business.*

20 ~~SEC. 8091. (a) Except in accordance with subsection~~
21 ~~(b), none of the funds appropriated in this Act may be used—~~
22 ~~(1) for procurement or assembly of binary chemi-~~
23 ~~cal munitions (or subcomponents of such munitions); or~~

1 (2) for establishment of production facilities neces-
2 sary for procurement or assembly of binary chemical
3 munitions (or subcomponents of such munitions).

4 (b) It is the sense of Congress that appropriations for
5 binary chemical weapons shall be considered after September
6 30, 1986, if—

7 (1) a mutually verifiable international agreement
8 concerning binary and other similar chemical munitions
9 has not been entered into by the United States by such
10 date;

11 (2) the President transmits, after such date, a cer-
12 tification to the Congress that—

13 (A) the procurement and assembly of such
14 complete weapons is necessitated by national se-
15 curity interests including the interests of the
16 members of the North Atlantic Treaty
17 Organization;

18 (B) performance specifications established by
19 the Department of Defense and in effect on the
20 date of enactment of this Act with respect to such
21 munitions will be met or exceeded in the han-
22 dling, storage, and other use of such munitions;

23 (C) applicable Federal safety requirements
24 will be met or exceeded in the handling, storage,
25 and other use of such munitions;

1 (D) the Secretary of Defense's plan (which
2 shall accompany such certification) for destruction
3 of existing chemical stocks is ready to be imple-
4 mented; and

5 (E) the North Atlantic Council of the North
6 Atlantic Treaty Organization (NATO) has for-
7 mally agreed—

8 (i) that chemical munitions currently
9 stored and deployed in NATO countries need
10 to be modernized in order to serve as an
11 adequate deterrent;

12 (ii) that such modernization should be
13 effected by replacement of current chemical
14 munitions with binary chemical munitions;
15 and

16 (iii) that the European member nations
17 of NATO where such chemical munitions are
18 to be stored or deployed are willing to accept
19 storage and deployment of binary chemical
20 munitions within their territories;

21 (3) such procurement and assembly is carried out
22 only after the end of the 60-day period beginning on
23 the date such certification is received by the Congress;

24 (4) the Secretary of Defense's basing mode for
25 such munitions in the United States is to be carried out

1 in a manner which provides that the two components
2 that constitute a binary munition are based in separate
3 States; and

4 (5) the Secretary of Defense's plan for the trans-
5 portation of such munitions in the United States is to
6 be carried out in a manner which provides that the two
7 components that constitute a binary munition are
8 transported separately and by different means.

9 *SEC. 8091. Notwithstanding any other provision of law*
10 *contracts entered into by the Department of Defense during*
11 *the current fiscal year, including multiyear contracts, shall*
12 *not be exempt from the reductions required by the Balanced*
13 *Budget and Emergency Deficit Control Act or similar*
14 *legislation.*

15 SEC. 8092. None of the funds appropriated in this Act
16 may be obligated or expended for procurement of C-12 air-
17 craft unless such aircraft are procured through competitive
18 procedures (as defined in section 2302(2) of title 10, United
19 States Code), which shall be restricted to turboprop aircraft.

20 ~~SEC. 8093. None of the funds in this Act may be obli-~~
21 ~~gated for procurement of 120mm mortars or 120mm mortar~~
22 ~~ammunition manufactured outside of the United States: Pro-~~
23 ~~vided, That this limitation shall not apply to procurement of~~
24 ~~such mortars or ammunition required for testing, evaluation,~~

1 type classification or equipping the Army's Ninth Infantry
2 Division (Motorized).

3 *SEC. 8093. Appropriations made available to the De-*
4 *partment of Defense by this Act and hereafter may be used at*
5 *sites formerly used by the Department of Defense for removal*
6 *of unsafe or unsightly buildings or debris of the Department*
7 *of Defense.*

8 ~~SEC. 8094. None of the funds appropriated by this Act~~
9 ~~may be obligated or expended to carry out a test of the Space~~
10 ~~Defense System (anti-satellite weapon) against an object in~~
11 ~~space until the President certifies to Congress that the Soviet~~
12 ~~Union has conducted, after October 3, 1985, a test against~~
13 ~~an object in space of a dedicated anti-satellite weapon.~~

14 *SEC. 8094. Of the funds made available by this Act to*
15 *the Department of the Army, \$7,200,000 shall be transferred*
16 *to the Bureau of Land Management for the relocation of the*
17 *district office at Fort Wainwright, Alaska.*

18 ~~SEC. 8095. Of the funds made available to the Depart-~~
19 ~~ment of the Air Force in this Act, not more than~~
20 ~~\$35,000,000 shall be made available to initiate a replace-~~
21 ~~ment program for Presidential Air Force One aircraft, but~~
22 ~~such funds may not be obligated or expended for such pur-~~
23 ~~pose until authorized by law in accordance with section~~
24 ~~138(a) of title 10, United States Code, or authorized in ac-~~

~~in accordance with procedures provided in section 1401 of the De-~~
~~partment of Defense Authorization Act, 1986.~~

3 *SEC. 8095. None of the funds appropriated by this Act*
4 *shall be used for the support of any nonappropriated fund*
5 *activity of the Department of Defense that procures alcoholic*
6 *beverages with nonappropriated funds for resale (including*
7 *alcoholic beverages sold by the drink) on a military installa-*
8 *tion located in the United States, unless such alcoholic bever-*
9 *ages are procured in the State, or in the case of the District*
10 *of Columbia, within the District of Columbia, in which the*
11 *installation is located: Provided, That in a case in which a*
12 *military installation is located in more than one State, pur-*
13 *chases may be made in any State in which the installation is*
14 *located: Provided further, That not later than one year after*
15 *the date of enactment of this Act, the Secretary shall transmit*
16 *a report to the Congress concerning the implementation of*
17 *this section.*

(TRANSFER OF FUNDS)

19 SEC. 8096. The Secretary of Defense may transfer, not
20 to exceed ~~\$1,000,000,000~~ \$468,000,000 from the Foreign
21 Currency Fluctuation, Defense account to appropriations
22 provided in title II of this Act: *Provided*, That the Secretary
23 of Defense shall report to the Committees on Appropriations
24 of the House of Representatives and Senate of the intended
25 ~~transfer~~ *transfers made under this authority: Provided fur-*
26 *ther*, That funds so transferred shall be made available for the

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1 same time period and purpose as the appropriation to which
2 transferred: *Provided further*, That this transfer authority is
3 in addition to any other transfer authority provided elsewhere
4 in this Act.

5 ~~SEC. 8097. (a) LIMITATIONS ON CONFLICTS OF IN-~~
6 ~~TEREST IN DEFENSE PROCUREMENT.—~~(1) An individual
7 ~~who is a former officer or employee of the Department of~~
8 ~~Defense, retired Member of Congress, or a former or retired~~
9 ~~member of the Armed Forces, retired Member of Congress,~~
10 ~~who during the two-year period preceding the individual's~~
11 ~~separation from service in the Department of Defense had~~
12 ~~significant responsibilities for a procurement function with re-~~
13 ~~spect to a contractor may not accept compensation from that~~
14 ~~contractor for a period of two years following the individual's~~
15 ~~separation from service in the Department of Defense or the~~
16 ~~Congress of the United States.~~

17 (2) ~~Whoever knowingly violates paragraph (1) shall be~~
18 ~~fined not more than \$10,000 or imprisoned for not more than~~
19 ~~one year, or both~~

20 (3) ~~an individual who knowingly offers or provides any~~
21 ~~compensation to an individual the acceptance of which is or~~
22 ~~would be in violation of paragraph (1) shall be fined not more~~
23 ~~than \$10,000 or imprisoned for not more than one year, or~~
24 ~~both.~~

1 (b) ~~LIMITATIONS ON CONTRACTORS.~~—(1) Each con-
2 tract for procurement of goods or services entered into by the
3 Department of Defense shall include a provision under which
4 the contractor agrees not to provide compensation to an indi-
5 vidual if the acceptance of such compensation by such indi-
6 vidual would violate subsection (a)(1).

7 (2) Such a contract shall also provide that if the contrac-
8 tor knowingly violates a contract provision required by para-
9 graph (1) the contractor shall pay to the United States, as
10 liquidated damages under the contract, an amount equal to
11 the greater of—

12 (A) \$100,000; or

13 (B) three times the compensation paid by the con-
14 tractor to the individual in violation of such contract
15 provision.

16 (c) ~~REPORTING OF EMPLOYMENT CONTRACTS.~~—If an
17 officer or employee of the Department of Defense, or a
18 member of the Armed Forces, having significant responsibil-
19 ities for a procurement function with respect to a contractor
20 contacts, or is contacted by, the contractor regarding future
21 compensation of the officer, employee, or member by the con-
22 tractor, the officer, employee, or member shall—

23 (1) promptly report the contact to the officer, em-
24 ployee, or member's supervisor and to the designated

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1 ethics official of the agency in which the officer, em-
2 ployee, or member is serving;

3 (2) promptly report (as part of the report under
4 paragraph (1) or as a separate report) when contacts
5 with the contractor concerning such compensation have
6 been terminated without agreement or commitment to
7 future compensation of the officer, employee, or
8 member by the contractor; and

9 (3) disqualify himself from all participation in the
10 performance of procurement functions relating to con-
11 tracts with that contractor until a report described in
12 paragraph (2) is made with respect to such contacts.

13 (d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING
14 DOD SERVICE.—(1) The Secretary of Defense shall give the
15 notice described in paragraph (2) to each officer and employ-
16 ee of the Department of Defense and each member of the
17 Armed Forces—

18 (A) who after the effective date of this section is
19 separated from service in the Department of Defense;
20 and

21 (B) who during the two-year period before that
22 separation served in a position in the Department that
23 included significant responsibility for a procurement
24 function and that was identified by the Secretary of
25 Defense under subsection (g)(1).

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1 (2) A notice required by paragraph (1) shall provide the
2 individual receiving the notice—

3 (A) a written explanation of the provisions of this
4 section; and

5 (B) the name of each contractor from whom such
6 individual is prohibited from accepting compensation
7 under this section during the two-year period following
8 such separation from service in the Department of
9 Defense.

10 (c) CONTRACTOR REPORTS.—(1)(A) Each contractor
11 subject to a contract term described in subsection (b) shall
12 submit to the Secretary of Defense not later than April 1 of
13 each year a report covering the previous calendar year. Each
14 such report shall list the name of each individual (together
15 with other information adequate for the Government to iden-
16 tify the individual) who is a former Department of Defense
17 officer or employee, or a former or retired member of the
18 Armed Forces, who—

19 (i) was provided compensation by that contractor
20 during the preceding calendar year, if such compensa-
21 tion was provided within two years after such officer,
22 employee, or member left service in the Department of
23 Defense; and

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1 (ii) had significant responsibilities for a procure-
2 ment function during the individual's last two years of
3 service in the Department of Defense.

4 (B) Each such listing shall—

5 (i) show each agency in which the individual was
6 employed or served on active duty during the last two
7 years of such individual's service in the Government;

8 (ii) show the individual's job titles during the
9 last two years of such individual's service in the
10 Government;

11 (iii) contain a full and complete description of the
12 duties of the individual during the last two years of
13 such service; and

14 (iv) contain a description of the duties (if any) that
15 the individual is performing on behalf of the contractor.

16 (C) The first such report shall be submitted not later
17 than April 1, 1987.

18 (2) The Secretary of Defense shall review each report
19 under paragraph (1) to assess the report for accuracy and
20 completeness and for the purpose of identifying possible vio-
21 lations of subsection (a) or (b) or paragraph (1). The Secre-
22 tary shall report any such possible violation to the Attorney
23 General.

24 (3) Whoever fails to file a report required by paragraph
25 (1) shall be fined not more than \$10,000.

1 (f) ~~REVIEW BY DIRECTOR OF OFFICE OF GOVERN-~~
2 ~~MENT ETHICS.~~—The Director of the Office of Government
3 Ethics shall have access to the reports submitted under sub-
4 section (e)(1) and shall conduct an annual random review of
5 the reports for violations of subsections (a), (b), and (e)(1).
6 The Director shall submit a report to Congress not later than
7 October 1 of each year on the operation of this section, in-
8 cluding the findings of the Director based on the examination
9 of reports for the preceding calendar year.

10 (g) ~~COVERED PROCUREMENT FUNCTIONS.~~—Not later
11 than 180 days after the date of the enactment of this Act, the
12 Secretary of Defense—

13 (1) shall identify the procurement functions cov-
14 ered by this section and the organizational positions
15 currently performing such functions; and

16 (2) shall provide a list of such functions and posi-
17 tions to Congress and to the Director of the Office of
18 Government Ethics and publish such list in the Federal
19 Register.

20 (h) ~~EXCLUSION.~~—This section does not apply—

21 (1) to a contract for an amount less than
22 \$100,000; or

23 (2) to compensation of an individual by an entity
24 that did not have a Department of Defense contract in
25 excess of \$100,000 at the time the individual had sig-

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1 nificant responsibilities for a significant procurement
2 function with respect to a contract with that entity.

3 (i) ~~ADVISORY OPINIONS FROM OFFICE OF GOVERN-~~
4 ~~MENT ETHICS.~~—(1) An individual who is considering the
5 propriety of accepting compensation that might place the in-
6 dividual in violation of subsection (a) may, before acceptance
7 of such compensation, apply to the Director of the Office of
8 Government Ethics for advice on the applicability of this sec-
9 tion to the acceptance of such compensation.

10 (2) An application under paragraph (1) shall contain
11 such information as the Director requires.

12 (j) ~~WAIVER OF OTHERWISE APPLICABLE FINES~~
13 ~~UNDER TITLE 18.~~—The provisions of section 3623 of title
14 18, United States Code, shall not apply to maximum fines
15 applicable under subsections (a)(2), (a)(3), and (c)(3).

16 (k) ~~DEFINITIONS.~~—For purposes of this section:

17 (1) The term “compensation” includes any pay-
18 ment, gift, benefit, reward, favor, gratuity, or employ-
19 ment valued in excess of \$100 at prevailing market
20 price, provided directly, indirectly, or through a third
21 party.

22 (2) The term “contractor” means any person,
23 partnership, corporation, or agency (other than the
24 Federal Government or the independent agencies
25 thereof) that contracts to supply the Department of

1 Defense with goods or services. Such term includes
2 any parent, subsidiary, or affiliate thereof.

3 (3) The term "procurement function", with re-
4 spect to a contract, means any acquisition action relat-
5 ing to the contract, including negotiating, awarding,
6 administering, approving contract changes, costs analy-
7 sis, quality assurance, operational and developmental
8 testing, technical advice or recommendation, approval
9 of payment, contractor selection, budgeting, auditing
10 under the contract, or management of the procurement
11 program.

12 (4) The term "Armed Forces" means the Army,
13 Navy, Air Force, and Marine Corps and includes the
14 Coast Guard when the Coast Guard is operating as a
15 service in the Navy.

16 (b) SEPARATION OF MEMBERS OF ARMED FORCES.—
17 For the purposes of this section, a member or former member
18 of the Armed Forces shall be considered to have been sepa-
19 rated from service in the Department of Defense upon such
20 member's discharge or release from active duty.

21 (m) TRANSITION.—(1) This section—

22 (A) does not preclude the continuation of employ-
23 ment that began before the effective date of this sec-
24 tion or the acceptance of compensation for such em-
25 ployment; and

1 ~~(B) does not, except as provided in paragraph (2),~~
2 ~~apply to an individual whose service with the Depart-~~
3 ~~ment of Defense terminates before April 1, 1986.~~

4 ~~(2) Paragraph (1)(B) does not preclude the application of~~
5 ~~this section to an individual with respect to service in the~~
6 ~~Department of Defense by such individual on or after April 1,~~
7 ~~1986.~~

8 ~~(n) EFFECTIVE DATE.—This section shall take effect~~
9 ~~on January 1, 1986.~~

10 ~~(o) REPEALER.—Section 921 of the Department of De-~~
11 ~~fense Authorization Act, 1986, is repealed.~~

12 *SEC. 8097. Within the funds made available under title*
13 *II of this Act, the military departments may use such funds*
14 *as necessary, but not to exceed \$4,700,000, to carry out the*
15 *provisions of section 430 of title 37, United States Code:*
16 *Provided, That none of the funds appropriated to the Depart-*
17 *ment of Defense for the travel and transportation of depend-*
18 *ent students of military personnel stationed overseas shall be*
19 *obligated for a transportation allowance for travel within or*
20 *between the contiguous United States, other than to or from*
21 *any Military Airlift Command aerial port of entry located in*
22 *the immediate direction of the member's overseas duty*
23 *station.*

24 ~~SEC. 8098. (a) REGULATION OF ALLOWABLE COSTS~~
25 ~~PAYABLE TO DEFENSE CONTRACTORS.—Section 2324 of~~

1 title 10, United States Code, as added by section 911 of the
2 Department of Defense Authorization Act, 1986, is amended
3 to read as follows:

4 **"§ 2324. Allowable costs under defense contracts**

5 ~~"(a)(1)~~ The Secretary of Defense shall require that a
6 covered contract provide that if the contractor submits to the
7 Department of Defense a proposal for settlement of indirect
8 costs incurred by the contractor for any period after such
9 costs have been accrued and if that proposal includes the
10 submission of an indirect cost that has been expressly speci-
11 fied by statute or regulation as being unallowable—

12 ~~"(A)~~ that cost shall be disallowed; and

13 ~~"(B)~~ the contractor shall pay to the United States
14 an amount equal to the greater of \$10,000 or—

15 ~~"(i)~~ the amount of the disallowed cost, plus
16 interest; or

17 ~~"(ii)~~ if the cost is of a type that has been fi-
18 nally determined, before the submission of such
19 proposal, to be expressly unallowable to that con-
20 tractor, an amount equal to twice the amount of
21 the disallowed cost, plus interest.

22 ~~"(2)~~ An action by the Secretary under a contract provi-
23 sion required by paragraph (1) to disallow a cost and to re-
24 quire payment of a contractor—

1 ~~“(A) shall be considered to be a final decision for~~
2 ~~purposes of section 6 of the Contracts Dispute Act of~~
3 ~~1978 (41 U.S.C. 605); and~~

4 ~~“(B) shall be appealable in the manner provided~~
5 ~~in section 7 of such Act (41 U.S.C. 606).~~

6 ~~“(3) Interest under paragraph (1) shall be computed—~~

7 ~~“(A) from the date on which the cost is ques-~~
8 ~~tioned; and~~

9 ~~“(B) at the applicable rate prescribed by the Sec-~~
10 ~~retary of the Treasury under section 6621 of the Inter-~~
11 ~~nal Revenue Code of 1954.~~

12 ~~“(4) Whoever, having entered into a contract with the~~
13 ~~Department of Defense that includes terms for settlement of~~
14 ~~indirect costs, submits to the Department a proposal for set-~~
15 ~~tlement of such costs for any period after such costs have~~
16 ~~been accrued that includes a cost that is expressly specified~~
17 ~~by statute or regulation as being unallowable, knowing that~~
18 ~~such cost is unallowable, shall be imprisoned not more than 5~~
19 ~~years, or fined not more than \$250,000 in the case of an~~
20 ~~individual or \$500,000 in the case of a corporation.~~

21 ~~“(b) The following costs are not allowable under a cov-~~
22 ~~ered contract:~~

23 ~~“(1) Costs of entertainment, including amusement,~~
24 ~~diversion, and social activities and any costs directly~~
25 ~~associated with such costs (such as tickets to shows or~~

1 sports events, meals, lodging, rentals, transportation,
2 and gratuities).

3 “(2) Costs incurred to influence (directly or indi-
4 rectly) congressional action on any legislation or appro-
5 priation matters pending before Congress or a State.

6 “(3) Costs incurred in defense of any civil or
7 criminal fraud proceeding or similar proceeding (includ-
8 ing filing of any false certification) brought by the
9 United States where the contractor is found liable for
10 fraud or has pleaded nolo contendere to a charge of
11 fraud or similar proceeding (including filing of false
12 certification).

13 “(4) Payments of fines and penalties resulting
14 from violations of, or failure to comply with, Federal,
15 State, local, or foreign laws and regulations, except
16 when incurred as a result of compliance with specific
17 terms and conditions of the contract or specific written
18 instructions from the contracting officer authorizing in
19 advance such payments in accordance with applicable
20 regulations of the Secretary of Defense.

21 “(5) Costs of membership in any social, dining, or
22 country club or organization.

23 “(6) Costs of alcoholic beverages.

24 “(7) Contributions or donations, regardless of the
25 recipient.

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1 ~~“(8) Costs of advertising designed to promote the~~
2 ~~contractor or its products.~~

3 ~~“(9) Costs of promotional items and memorabilia,~~
4 ~~including models, gifts, and souvenirs.~~

5 ~~“(10) Other cost items identified by regulation~~
6 ~~which the Secretary of Defense shall prescribe by reg-~~
7 ~~ulation under this section.~~

8 ~~“(11) Except as provided in subsection (c), costs~~
9 ~~for travel by aircraft to the extent that such costs~~
10 ~~exceed the amount of standard commercial fare for~~
11 ~~travel by common carrier between the points involved.~~

12 ~~“(c)(1) Subsection (b)(11) does not apply if travel by~~
13 ~~common carrier at standard fare—~~

14 ~~“(A) would require travel at unreasonable hours;~~

15 ~~“(B) would excessively prolong travel;~~

16 ~~“(C) would result in overall increased costs that~~
17 ~~would offset potential savings from travel at standard~~
18 ~~commercial fare; or~~

19 ~~“(D) would not meet physical or medical needs of~~
20 ~~the person traveling.~~

21 ~~“(2) Subsection (b)(11) does not apply to travel by air-~~
22 ~~craft other than a common carrier if—~~

23 ~~“(A) travel by such aircraft is specifically required~~
24 ~~for contract performance or is otherwise specifically~~
25 ~~authorized under the contract;~~

1 ~~“(B) travel by common carrier is impractical; and~~

2 ~~“(C) the travel performed is for business purposes~~

3 ~~and requires the use of such aircraft.~~

4 ~~“(3) Costs for air travel in excess of that allowed by~~
5 ~~subsection (b)(11) may only be allowed by reason of one of~~
6 ~~the exceptions contained in paragraph (1) or by reason of~~
7 ~~paragraph (2) if the exception is fully documented and justi-~~
8 ~~fied, including, in the case of an exception under paragraph~~
9 ~~(2), full documentation of the use of the aircraft for business~~
10 ~~purposes.~~

11 ~~“(d)(1) The Secretary of Defense shall prescribe regula-~~
12 ~~tions, consistent with the requirements of subsection (b), to~~
13 ~~establish criteria for the allowability of indirect contractor~~
14 ~~costs under Department of Defense contracts. Such regula-~~
15 ~~tions shall be prescribed as part of the Department of De-~~
16 ~~fense Supplement to the Federal Acquisition Regulation. In~~
17 ~~developing specific criteria for the allowability of such costs,~~
18 ~~the Secretary shall consider whether reimbursement of such~~
19 ~~costs by the United States is in the best interests of the~~
20 ~~United States and consistent with the requirements of sub-~~
21 ~~section (b). Such regulations—~~

22 ~~“(A) shall define and interpret in reasonable detail~~
23 ~~and specific terms those indirect costs, including the~~
24 ~~cost requirements of subsection (b), that are unallow-~~

1 able under contracts entered into by the Department of
2 Defense; and

3 ~~“(B) shall provide that specific costs allowable~~
4 ~~under one cost principle shall not be allowable under~~
5 ~~any other cost principle.~~

6 ~~“(2) The regulations under paragraph (1) shall, at a~~
7 ~~minimum clarify the cost principles applicable to contractor~~
8 ~~costs of the following:~~

9 ~~“(A) Air shows.~~

10 ~~“(B) Advertising.~~

11 ~~“(C) Recruitment.~~

12 ~~“(D) Employee morale and welfare.~~

13 ~~“(E) Actions to influence (directly or indirectly)~~
14 ~~executive branch action on regulatory and contract~~
15 ~~matters (other than costs incurred in regard to contract~~
16 ~~proposals pursuant to solicited or unsolicited bids).~~

17 ~~“(F) Community relations.~~

18 ~~“(G) Dining facilities.~~

19 ~~“(H) Professional and consulting services, includ-~~
20 ~~ing legal services.~~

21 ~~“(I) Compensation.~~

22 ~~“(J) Selling and marketing.~~

23 ~~“(K) Travel.~~

24 ~~“(L) Public relations.~~

25 ~~“(M) Hotel and meal expenses.~~

1 “(N) Membership in civic, community, and profes-
2 sional organizations.

3 “(3) Such regulations shall specify the circumstances
4 under which clauses (A) and (B) of subsection (e)(1) may be
5 applied.

6 “(4) Such regulations shall require that a contractor be
7 required to provide current, accurate, and complete documen-
8 tation to support the allowability of an indirect cost at the
9 time a proposal for settlement of indirect costs is submitted to
10 the Secretary. If such documentation is not sufficient to sup-
11 port the allowability of the cost, the cost shall be challenged
12 by the Secretary, and it shall become expressly unallowable
13 and is not subject to negotiation.

14 “(e)(1) The Secretary of Defense shall require that each
15 indirect cost in the contractor's submission for final overhead
16 settlement applied to covered contracts that is not specifically
17 unallowable under law or regulation and that is challenged
18 by the Secretary as being unallowable shall be considered for
19 resolution as being allowable or unallowable separately from
20 the resolution of other challenged costs. If such challenged
21 cost cannot be resolved as being allowable or unallowable
22 separately, then the settlement may include an aggregate
23 amount for the settlement of all such challenged costs or a
24 settlement of each such cost at less than the amount submit-
25 ted if—

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1 “(A) the contractor and the contracting officer
2 cannot agree on the allowability of the cost under ex-
3 isting cost principles;

4 “(B) the contracting officer documents the reasons
5 why an agreement cannot be reached; and

6 “(C) the contractor agrees in writing that costs of
7 that type will not be submitted to the Department of
8 Defense for payment as an allowable indirect cost in
9 the future under that contract or any other contract of
10 the contractor with the Secretary.

11 “(2) The Secretary of Defense shall provide, to the
12 maximum extent practicable, the defense contract auditor be
13 present at any negotiation or meeting with the contractor
14 regarding a determination of the allowability of indirect costs
15 of the contractor.

16 “(f)(1) A contractor that submits a proposal for settle-
17 ment of indirect costs applicable to a covered contract shall
18 be required to certify that all indirect costs included in the
19 proposal are allowable. Any such certification shall be in a
20 form prescribed by the Secretary of Defense.

21 “(2) The Secretary of Defense or the Secretary of the
22 military department concerned may, in an exceptional case,
23 waive the requirement for certification under paragraph (1) in
24 the case of any contract if the Secretary—

1 ~~“(A) determines in such case that it would be in~~
2 ~~the interest of the United States to waive such certifi-~~
3 ~~cation; and~~

4 ~~“(B) states in writing the reasons for that deter-~~
5 ~~mination and makes such determination available to~~
6 ~~the public.~~

7 ~~“(g) The Secretary of Defense shall provide that, in es-~~
8 ~~tablishing the interim or provisional rates for payment of indi-~~
9 ~~rect costs to a defense contractor for which final settlement~~
10 ~~will be made at a later time, such rates shall be based upon~~
11 ~~amounts incurred by such contractor for indirect costs less~~
12 ~~any amount questioned by the agency with responsibility for~~
13 ~~audits of defense contracts.~~

14 ~~“(h) In this section, ‘covered contract’ means a contract~~
15 ~~entered into by the Department of Defense for an amount~~
16 ~~more than \$25,000—~~

17 ~~“(1) that is flexibly priced; or~~

18 ~~“(2) for which cost or pricing data is required~~
19 ~~under section 2306(f) of this title.”.~~

20 ~~(b) REGULATIONS.—(1) Not later than 150 days after~~
21 ~~the date of enactment of this Act, the Secretary of Defense~~
22 ~~shall prescribe the regulations required by subsection (d) of~~
23 ~~section 2324 of title 10, United States Code, as amended by~~
24 ~~subsection (a). Such regulations shall be published in accord-~~

1 ~~ance with section 22 of the Office of Federal Procurement~~
2 ~~Policy Act (41 U.S.C. 418b).~~

3 (2) The Secretary shall review such regulations at least
4 once every five years. The results of each such review shall
5 be made public.

6 (c) ~~APPLICABILITY TO SUBCONTRACTS.~~—The regula-
7 tions of the Secretary of Defense required to be issued under
8 subsection (b) shall require, to the maximum extent possible,
9 that the provisions of section 2324 of title 10, United States
10 Code, as amended by subsection (a), shall apply to all subcon-
11 tractors of any covered contract, as that term is defined in
12 such section.

13 (d) ~~EFFECTIVE DATE.~~—Section 2324 of title 10,
14 United States Code, as amended by subsection (a), shall
15 apply only to contracts entered into on or after the date on
16 which regulations are prescribed in accordance with subsec-
17 tion (b).

18 *SEC. 8098. The amendments made to section*
19 *7572(b)(3) of title 10, United States Code, and to section 3*
20 *of Public Law 96-357 (10 U.S.C. 7572 note) by section 606*
21 *of the Department of Defense Authorization Act, 1986, shall*
22 *apply to reimbursement of expenses incurred on or after Oc-*
23 *tober 1, 1985, by a member of a uniformed service on sea*
24 *duty.*

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1 SEC. 8099. (a) MULTIPLE SOURCES FOR MAJOR DE-
2 FENSE ACQUISITION PROGRAMS.—(1) Section 2305a of title
3 10, United States Code, as added by section 912 of the De-
4 partment of Defense Authorization Act, 1986, is amended to
5 read as follows:

6 "§ 2305a. Major programs: development of multiple
7 sources

8 “(a)(1) The Secretary of Defense may not begin full-
9 scale engineering development under a major program
10 until—

11 “(A) the Secretary prepares a plan for competi-
12 tion under the program; and

13 “(B) the Secretary submits to the Committees on
14 Armed Services of the Senate and House of Repre-
15 sentatives a report describing that plan.

16 “(2) Each contract for the development and acquisition
17 of the system under the program; and each contract for the
18 development and acquisition of a major subsystem under the
19 program; shall be awarded in accordance with the plan pre-
20 pared under paragraph (1).

21 “(3) The report required by paragraph (1)(B) shall be
22 submitted not later than the submission of the budget materi-
23 als the Secretary submits to Congress for the fiscal year for
24 which the initial request is made for appropriations for full-
25 scale engineering development of the program.

1 “(4) If the Secretary proposes to revise a competition
2 plan prepared under paragraph (1) after the report on the
3 plan is submitted under that paragraph, the Secretary shall
4 submit to the committees a report describing the proposed
5 revision. Such a revision may not be implemented until 60
6 days after the report on the revision is received by those
7 committees.

8 “(b)(1) The Secretary shall include in the competition
9 plan for a major program an estimate of whether the market
10 conditions for such system (and each such subsystem) exist
11 such that the Secretary has a reasonable expectation that
12 there will be competitive alternative sources of supply for the
13 system (and each such subsystem) throughout the period from
14 the beginning of full-scale engineering development through
15 the end of production under the program.

16 “(2) If the Secretary’s estimate under paragraph (1) that
17 competitive alternative sources of supply will exist later
18 proves incorrect in that fewer than two responsive proposals
19 are received in reply to a request for proposals, the Secretary
20 shall revise the competition plan in accordance with subsec-
21 tion (e)(1).

22 “(3) A contract for full-scale engineering development
23 or production (including follow-on contracts) under a major
24 program may not be entered into using procedures other than

1 competitive procedures under the authority of clause (1) or
2 clause (7) of section 2304(e) of this title.

3 “(e)(1) In preparing the portions of a plan that are re-
4 quired by subsection (b)—

5 “(A) if the Secretary determines that competitive
6 alternative sources of supply with respect to the
7 system (or a major subsystem of the system) would not
8 otherwise be available throughout the full-scale engi-
9 neering development of the system (or major subsys-
10 tem); the Secretary shall provide in the plan for the
11 award of contracts under the program so as to provide
12 and maintain at least two sources of supply for full-
13 scale engineering development; and

14 “(B) if the Secretary determines that competitive
15 alternative sources of supply with respect to the
16 system (or a major subsystem of the system) would not
17 otherwise be available throughout the production of the
18 system (or major subsystem); the Secretary shall pro-
19 vide in the plan for the award of contracts under the
20 program so as to provide and maintain at least two
21 sources of supply for production.

22 “(2) If a competition plan includes a provision required
23 by paragraph (1)(B), the plan shall also provide that of the
24 total dollar amount of contracts awarded for a fiscal year for
25 production of the system (or major subsystem)—

1 “(A) the amount awarded to the contractor whose
2 proposal was most advantageous to the United States
3 shall be greater than the amount awarded any other
4 contractor; and

5 “(B) the amount awarded any other contractor
6 shall be sufficient to enable that contractor to compete
7 effectively for the plurality of the next production con-
8 tract for the system (or major subsystem).

9 “(3) The Secretary shall determine which proposal is
10 most advantageous to the United States by considering price
11 and other factors included in the solicitation for proposals for
12 the contract.

13 “(4) The Secretary may waive provisions of a plan re-
14 quired by paragraph (1) if the Secretary determines that the
15 proposal of the contractor submitting the proposal that is the
16 second most advantageous to the United States is not within
17 a competitive range (as determined by the Secretary) of the
18 proposal that is the most advantageous to the United States.

19 “(5) In carrying out this subsection, the Secretary may
20 provide that the requirements of a competition plan are satis-
21 fied even though the contractors do not develop or produce
22 identical systems if the systems developed or produced serve
23 similar functions and compete effectively with each other.

24 “(d)(1) In preparing a competition plan for a major pro-
25 gram, the Secretary (subject to paragraph (4)) may waive the

1 requirements of subsections (b) and (c) with respect to that
2 program if the Secretary determines that the application of
3 those subsections to that program—

4 “(A) would materially increase the total cost of
5 the program; or

6 “(B) would unreasonably delay the completion of
7 the total program.

8 “(2) If the Secretary grants a waiver under paragraph
9 (1), the report submitted under subsection (a)(1) with respect
10 to that program—

11 “(A) shall include notice that such waiver has
12 been made; and

13 “(B) shall set forth the reasons for the waiver, to-
14 gether with supporting documentation of comparative
15 cost and schedule estimates.

16 “(3) The exercise of the authority provided under para-
17 graph (1) shall be made separately with respect to the appli-
18 cation of subsections (b) and (c)—

19 “(A) to full-scale engineering development of the
20 program; and

21 “(B) to production of the program.

22 “(4) The Secretary may not grant a waiver under para-
23 graph (1) if the waiver would cause the total cost of either
24 the major development programs or the major production
25 programs for which all such waivers have been granted to

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1 exceed 50 percent of the total cost of all the major develop-
 2 ment programs or the major production programs, respective-
 3 ly, that enter full-scale engineering development after fiscal
 4 year 1986.

5 “(f) In this section:

6 “(1) ‘Major program’ means a major defense ac-
 7 quisition program, as such term is defined in section
 8 139a(a) of this title.

9 “(2) ‘Major subsystem’, with respect to a major
 10 program, means a subsystem of the system developed
 11 under the program for which—

12 “(A) the amount for research, development,
 13 test, and evaluation is 10 percent or more of the
 14 amount specified in section 139a(a)(1)(B) of this
 15 title as the research, development, test, and eval-
 16 uation funding criterion for identification of a
 17 major defense acquisition program; or

18 “(B) the amount for production is 10 percent
 19 or more of the amount specified in section
 20 139a(a)(1)(B) of this title as the production fund-
 21 ing criterion for identification of a major defense
 22 acquisition program.”.

23 (2) The item relating to such section in the table of sec-
 24 tions at the beginning of chapter 137 of such title is amended
 25 to read as follows:

“2305a. Major programs: development of multiple sources.”.

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1 (b) ~~EFFECTIVE DATE.~~—Section 2305a of title 10,
2 United States Code, as amended by subsection (a), shall
3 apply with respect to major defense acquisition programs for
4 which funds for full-scale engineering development are first
5 provided for a fiscal year after fiscal year 1986.

6 *SEC. 8099. No prior year appropriations transferred or*
7 *otherwise made available by this Act shall remain available*
8 *for obligation beyond the expiration dates established when*
9 *appropriated.*

10 ~~SEC. 8100. (a) CLARIFICATION OF SECTION 917 COST~~
11 ~~AND PRICE MANAGEMENT PROVISION.~~—Section 2406 of
12 title 10, United States Code, as enacted by section 917 of the
13 Department of Defense Authorization Act, 1986, is amended
14 to read as follows:

15 **~~“§ 2406. Cost and price management~~**

16 ~~“(a)(1) Subject to subsection (d)(2), the head of an~~
17 ~~agency shall require the contractor under a covered contract~~
18 ~~with that agency—~~

19 ~~“(A) to record into appropriate categories the con-~~
20 ~~tractor’s proposed and negotiated cost and pricing data~~
21 ~~with respect to work under the contract; and~~

22 ~~“(B) to record into appropriate categories the con-~~
23 ~~tractor’s incurred costs under the contract in the same~~
24 ~~manner as the manner in which the contractor catego-~~

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1 sizes and records such proposed and negotiated cost
2 and pricing data.

3 “(2) The categories into which such proposed and nego-
4 tiated cost and pricing data and such incurred costs shall be
5 recorded include—

6 “(A) labor costs;

7 “(B) material costs;

8 “(C) subcontract costs;

9 “(D) overhead costs;

10 “(E) general and administrative costs;

11 “(F) fee or profit;

12 “(G) recurring costs; and

13 “(H) nonrecurring costs.

14 “(b)(1) Subject to subsection (d)(2), the head of an
15 agency shall require, with respect to each covered contract
16 under a major defense acquisition program, that the contrac-
17 tor record each proposed or negotiated bill of labor—

18 “(A) for labor used by the contractor in manufac-
19 turing the end item under the program; and

20 “(B) for labor used by the contractor in perform-
21 ing routine testing relating to the end item.

22 “(2) A contractor that records proposed and negotiated
23 bills of labor with respect to a contract under paragraph (1)
24 shall prepare each such bill of labor to reflect the contractor's
25 computation—

1 ~~“(A) of the work required in manufacturing parts~~
2 ~~and subassemblies for the end item under the program;~~
3 ~~and~~

4 ~~“(B) of the work required in performing routine~~
5 ~~testing of such parts and subassemblies.~~

6 ~~“(3)(A) A contractor preparing a bill of labor required to~~
7 ~~be recorded under paragraph (1) shall specify in the bill of~~
8 ~~labor the current industrial engineering standard hours of~~
9 ~~work content (also known as ‘should-take times’)—~~

10 ~~“(i) for the work included in each component of~~
11 ~~the bill of labor; and~~

12 ~~“(ii) for the total work included in the bill of~~
13 ~~labor.~~

14 ~~“(B) The contractor shall base the standard hours of~~
15 ~~work content specified in the bill of labor on the ‘fair day’s~~
16 ~~work’ concept, as such term is understood in competitive~~
17 ~~commercial manufacturing industries in the United States.~~

18 ~~“(C) The contractor’s standard hours of work content~~
19 ~~included in the bill of labor may not vary from time standards~~
20 ~~derived from commercially available predetermined time~~
21 ~~standard systems widely used in the United States, as deter-~~
22 ~~mined by the head of the agency, subject to verification by~~
23 ~~audit.~~

24 ~~“(4) Subject to subsection (d)(2) of this section, the head~~
25 ~~of the agency concerned shall require that a contractor that~~

1 records (under paragraph (1)) a negotiated bill of labor with
2 respect to a contract shall, as work progresses under the con-
3 tract, record—

4 “(A) any difference between—

5 “(i) the actual hours of work expended in
6 performing the work included in each component
7 of the bill of labor; and

8 “(ii) the standard hours of work content for
9 such work specified in the bill of labor pursuant to
10 paragraph (3);

11 “(B) any difference between—

12 “(i) the actual hours of work expended in
13 performing the total work included in the bill of
14 labor; and

15 “(ii) the standard hours of work content for
16 such work specified in the bill of labor pursuant to
17 paragraph (3); and

18 “(C) the bill of labor so as to reflect the work
19 content of the current configuration of the program.

20 “(e)(1) Subject to subsection (d)(2), the head of an
21 agency shall require, with respect to each covered contract
22 under a major defense acquisition program, that the contrac-
23 tor record each proposed or negotiated bill of material—

24 “(A) for material used by the contractor in manu-
25 facturing the end item under the program; and

1 ~~“(B) for material used by the contractor in per-~~
2 ~~forming routine testing relating to the item.~~

3 ~~“(2) A contractor that records proposed and negotiated~~
4 ~~bills of material with respect to a contract under paragraph~~
5 ~~(1) shall prepare each such bill of material to reflect the con-~~
6 ~~tactor's computation—~~

7 ~~“(A) of the material required for manufacturing~~
8 ~~parts an subassemblies for the end item under the pro-~~
9 ~~gram; and~~

10 ~~“(B) of the material required for routine testing of~~
11 ~~such parts and subassemblies.~~

12 ~~“(3) The costs set out in such a bill of material shall be~~
13 ~~expressed in current dollars.~~

14 ~~“(4) Subject to subsection (d)(2), the head of the agency~~
15 ~~concerned shall require that a contractor that records a nego-~~
16 ~~tiated bill of material with respect to a contract under para-~~
17 ~~graph (1) shall, as work progresses under the contract,~~
18 ~~record—~~

19 ~~“(A) any difference between—~~

20 ~~“(i) the costs incurred by the contractor for~~
21 ~~material used by the contractor in manufacturing~~
22 ~~the end item under the program; and~~

23 ~~“(ii) the costs for such material specified in~~
24 ~~the bill of material;~~

25 ~~“(B) any difference between—~~

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1 “(i) the costs incurred by the contractor for
2 material used by the contractor in performing rou-
3 tine testing relating to the item; and

4 “(ii) the costs for such material specified in
5 the bill of material; and

6 “(C) the bill of material so as to reflect the work
7 content of the current configuration of the program.

8 “(d)(1) Nothing in this section prohibits a contractor
9 from submitting to an agency a request for payment or reim-
10 bursement for any bill of labor or any bill of material devel-
11 oped pursuant to an approved system of cost principles and
12 procedures.

13 “(2) This section does not authorize or require the head
14 of an agency to require the recording by a contractor of infor-
15 mation under this section if the contractor does not otherwise
16 maintain the information to be recorded—

17 “(A) under section 2306(f) of this title or some
18 other provision of law (other than this section) or regu-
19 lation;

20 “(B) under the terms of a contract provision re-
21 quired under any such law or regulation; or

22 “(C) for its own management purposes.

23 “(e) In this section:

1 “(1) ‘Agency’ means the Department of Defense,
2 the Department of the Army, the Department of the
3 Navy, or the Department of the Air Force.

4 “(2) ‘Covered contract’ means a contract that is
5 awarded by an agency and that is subject to the provi-
6 sions of section 2306(f) of this title, including contracts
7 for full-scale engineering developments or production.

8 “(3) ‘Major defense acquisition program’ has the
9 meaning given that term in section 138(a)(1) of this
10 title.”.

11 (b) **APPLICABILITY OF SECTION.**—Section 2406 of title
12 10, United States Code, as amended by subsection (a), shall
13 apply with respect to—

14 (1) contracts in effect on the date of the enact-
15 ment of this Act;

16 (2) contracts entered into on or after such date;
17 and

18 (3) a contract completed or otherwise terminated
19 before such date under a major defense acquisition pro-
20 gram that is in existence on such date, if the contract
21 was with a contractor with whom the Department of
22 Defense (including the military departments) has a con-
23 tract under such program on or after such date.

24 *SEC. 8100. None of the funds available to the Depart-*
25 *ment of the Navy may be used to enter into any contract for*

1 *the overhaul, repair, or maintenance of any naval vessel*
2 *which includes charges for interport differential as an eval-*
3 *uation factor for award.*

4 ~~SEC. 8101. There is appropriated, for expenses, not oth-~~
5 ~~erwise provided for, necessary for the operation and mainte-~~
6 ~~nance of the Navy and the Marine Corps, an additional~~
7 ~~\$100,000,000, which shall be transferred to United States~~
8 ~~Coast Guard Operating Expenses to be available only for~~
9 ~~operations and training relating to the Coast Guard's defense~~
10 ~~and military readiness missions.~~

11 *SEC. 8101. None of the funds appropriated by this Act*
12 *shall be available in connection with the operation of commis-*
13 *sary stores, exchanges, and ship stores, that do not sell ciga-*
14 *rettes and tobacco products at a price equivalent to the lowest*
15 *average prevailing retail price (exclusive of State and local*
16 *taxes) of civilian outlets in the areas where such commissary*
17 *stores, exchanges, and ship stores are located or home ported:*
18 *Provided, That the amounts representing the difference be-*
19 *tween the cost of such cigarettes and tobacco products to the*
20 *commissary stores, and the price paid by commissary store*
21 *patrons shall be credited to the operation and maintenance*
22 *appropriation of the military department concerned as a re-*
23 *imbursement for expenses in connection with the operation of*
24 *commissary stores that are not otherwise reimbursed from*
25 *commissary surcharge collections: Provided further, That the*

1 *surcharge that may be added to, or included in, the price of*
2 *cigarettes and tobacco products shall not be considered in*
3 *computing the price to be charged to the commissary store*
4 *patron or the amounts to be deposited to the credit of oper-*
5 *ation and maintenance appropriations: Provided further,*
6 *That the price of cigarettes and tobacco products sold outside*
7 *the United States shall be at a price equivalent to the nation-*
8 *al average retail price of cigarettes and tobacco products: Pro-*
9 *vided further, That the sales price to be charged by commis-*
10 *sary stores under this section plus any surcharge that may be*
11 *added or included shall not be more than the average prevail-*
12 *ing retail price (inclusive of any State and local taxes) of*
13 *civilian outlets in the areas where such commissary stores*
14 *are located.*

15 *SEC. 8102. Notwithstanding any other provision of*
16 *law, none of the funds appropriated by this Act shall be used*
17 *for the installation, maintenance, and operation of a*
18 *22¾ x 36-inch perfecting web offset press with in-line folder*
19 *procured by the Department of the Air Force under solicita-*
20 *tion number F01600-85-B0021.*

21 *SEC. 8103. None of the funds made available by this*
22 *Act may be used to restructure, reorganize, operate, or main-*
23 *tain the Atlantic Command other than as constituted prior to*
24 *August, 1985; nor to alter the command structure for mili-*
25 *tary forces in Alaska.*

135

1 *TITLE IX*2 *COUNTER-TERRORISM CONTINGENCY FUND*

3 *For the Counter-terrorism Contingency Fund,*
4 *\$100,000,000, for use by the Secretary of Defense only with*
5 *the approval of the President upon notification to the Appro-*
6 *priations, Armed Services, and Intelligence Committees of*
7 *the House and Senate. Use of the Counter-terrorism Fund*
8 *shall be limited to those operational contingencies involving*
9 *the threat of or use of violence directed against United States*
10 *personnel or property: Provided, That these funds shall be*
11 *available only to duly constituted Armed Forces and agencies*
12 *of the United States and shall not be used to support, directly*
13 *or indirectly, any other military or paramilitary group,*
14 *movement, organization, entity, or activity.*

15 This Act may be cited as the "Department of Defense
16 Appropriation Act, 1986".

Passed the House of Representatives October 30,
1985.

Attest:

Clerk.

Calendar No. 393

99TH CONGRESS
1ST Session

H. R. 3629

[Report No. 99-176]

AN ACT

Making appropriations for the Department of Defense for the fiscal year ending September 30, 1986, and for other purposes.

NOVEMBER 1 (legislative day, OCTOBER 28), 1985

Received; read twice and referred to the Committee on
Appropriations

NOVEMBER 6 (legislative day, OCTOBER 28), 1985

Reported with amendments